



新天绿色能源股份有限公司

China Suntien Green Energy Corporation Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

A-share stock code: 600956 H-share stock code: 00956

2024

Environmental, Social and Governance Report

WE OUTPUT CLEAN ENERGY ONLY

ABOUT THIS REPORT

This report is a true reflection of China Suntien Green Energy Corporation Limited actively fulfilling its economic, social and environmental responsibilities and achieving comprehensive, coordinated and sustainable development. The forward- looking descriptions of the business plans and development strategies involved in the report do not constitute a substantial commitment of the Company to investors.



SCOPE

Organisational scope: This report covers China Suntien Green Energy Corporation Limited and organisations under its management.
Timeframe: 1st January, 2024 to 31st December, 2024. Certain items mentioned are outside the aforementioned timeframe.
Publication cycle: This report is published on an annual basis along with the publication of the Company's annual report.



REPORTING STANDARDS

This report has been prepared in accordance with the requirements of the Environmental, Social and Governance Reporting Guide of the Stock Exchange of Hong Kong Limited, with reference to the GRI Standards of the Global Sustainability Standards Board (GSSB) and the United Nations Sustainable Development Goals (UNSDGs) for 2030.



EXPLANATIONS ON DATA

Financial data in the report are extracted from the 2024 annual report. Other data are extracted from the Company's internal management system and statistics, and partly comprise of data from previous years. Unless otherwise stated, RMB is used in this report as its functional currency.



REPORTING FORM

The report is issued in print and electronic versions. Please visit www.suntien.com to download the report. Please call 0311-85278106 if you need a print version.



EXPLANATIONS ON ABBREVIATED NAMES

For convenience, expressions including "China Suntien Green Energy Corporation Limited", "Suntien", the "Company", the "Group" or "we" are used in the report. Regarding major subsidiaries of the Company, Hebei Natural Gas Limited is referred to as "Hebei Natural Gas", HECIC New Energy Co., Ltd. is referred to as "HECIC New Energy", Caofeidian Suntien Liquefied Natural Gas Co., Ltd. is referred to as "Caofeidian Company", and HECIC Offshore Wind Power Co., Ltd. is referred to as "HECIC Offshore Wind Power".



CONTACTS

The Office of the Board of Directors, China Suntien Green Energy Corporation Limited
Address: Block A, Yu Yuan Plaza, No. 9 Yuhua West Road, Shijiazhuang City, Hebei Province, PRC

Contents

1 2 3

PREQUEL

- 00 | ABOUT THIS REPORT
- 01 | CHAIRMAN'S STATEMENT
- 03 | ABOUT US
- 07 | SOUND CORPORATE GOVERNANCE
- 17 | ESG Governance

ADDRESSING CLIMATE CHANGE

- 23 | Climate Governance
- 24 | Climate Risk Management
- 28 | Climate Strategy, Goals and Actions

PROMOTING GREEN OPERATIONS

- 35 | Environmental Management
- 38 | Energy and Resource Utilization
- 40 | Waste Management
- 42 | Biodiversity Conservation

2024

Environmental, Social and Governance Report

4 5 6

STABLE ENERGY SUPPLY

- 47 | Safety Management and Guarantee
- 58 | Energy Supply Security
- 60 | Quality Control and Customer Service
- 64 | Community Engagement

INNOVATION AND COLLABORATIVE DEVELOPMENT

- 67 | Scientific and Technological Innovation
- 73 | Supply Chain Management

TALENT AND COMMUNITY DEVELOPMENT

- 79 | Employment and Welfare
- 83 | Training and Development
- 87 | Employee Care

INDICATOR INDEX

95 | HKEX ESG INDICATOR INDEX 100 | GRI STANDARDS INDEX 105 | INFORMATION FEEDBACK

CHAIRMAN'S STATEMENT

The year 2024 is crucial for Suntien to achieve the goals and tasks set out in its 14th Five-Year Plan. In the face of a challenging external environment, Suntien has responded with a proactive and composed attitude, adhering to its original aspiration of developing green energy, deeply cultivating the two major business segments of new energy and clean energy, optimizing its industrial presence, accelerating the development of new productive forces with unique characteristics, striving to create a new landscape for high-quality development, and contributing to the construction of a beautiful China and the promotion of global sustainable development.

We have focused on our core businesses, expanding our market presence while ensuring both quantity and quality.

Suntien has achieved steady business growth through measures such as focusing on high-quality wind power projects, expanding the natural gas industry chain, optimizing the gas sales structure, strengthening market development, and promoting the merger and integration of urban gas projects. In 2024, the Company's total revenue reached RMB21.372 billion, representing a year-on-year increase of 5.38%, and demonstrating the continuous enhancement of its value creation capabilities.

We have strengthened corporate governance and continuously improved the effectiveness of internal management.

Suntien continues to enhance its internal operation and management capabilities, streamline its internal governance structure and compliance system, strengthen its compliance foundation, foster a culture of integrity, and uphold business ethics. At the same time, Suntien will deeply integrate the concept of sustainable development into the Company's strategy and operations, ensuring that while pursuing economic benefits, it actively fulfills its social responsibilities, and promotes environmental friendliness and social progress.

We are committed to green development and embracing climate opportunities.

Suntien continuously enhances its green operation capabilities, implements environmental governance with a sound ecological and environmental protection system, leverages technological innovation and management optimization, taps into the potential for energy efficiency improvement, optimizes resource utilization, and contributes to the country's "dual carbon" goals. In 2024, Suntien's wind and photovoltaic power generation businesses achieved a power generation capacity of 14.122 billion kilowatt hours, and the total natural gas transmission/sales volume reached 5.888 billion cubic meters.



We adhere to scientific and technological innovation as the inexhaustible driving force for the development of the Company.

Suntien comprehensively promotes the standardization and systematic construction of the scientific and technological innovation system, accelerates the digital transformation of production and management, establishes an innovation incentive mechanism, and strengthens the protection of intellectual property rights. In 2024, Suntien made significant achievements in scientific and technological innovation and intellectual property rights. The Company invested RMB377 million in research and development, added 125 new scientific and technological projects, constructed one national-level research and development platform, officially obtained approval for two provincial-level technology innovation centers, and had one technology innovation center and one engineering research center under construction.

We emphasize value co-creation and work hand in hand with all parties to achieve mutual benefit and win-win results.

Suntien upholds the people-oriented concept, starting from safeguarding employees' rights and interests, caring for their well-being, and assisting their growth, enhancing their sense of happiness and affiliation. At the same time, we actively carry out technical exchanges with industry partners, deepen strategic cooperation, and promote co-creation and win-win results.

At present, the global energy transition is accelerating, and sustainable development has become the strongest voice of our era. Suntien will embark on a new journey, shoulder the responsibility of promoting green energy development, continuously optimize its industrial presence, enhance core competitiveness, promote the construction of China's modern energy system, and contribute to the achievement of the national "dual carbon" goals. We will adhere to long-termism, work hand in hand with all stakeholders with firm belief and unremitting efforts, and jointly write a new chapter in green development!



ABOUT US

China Suntien Green Energy Corporation Limited was established on 9 February 2010 with contributions made by the promoter shareholders of Hebei Construction & Investment Group Co., Ltd. (HECIC) and HECIC Water Investment Co., Ltd. The Company was listed on the Main Board of the Hong Kong Stock Exchange on 13 October 2010 (H-share stock code: 00956). On 29 June 2020, the Company completed the listing of its A shares on the main board of the Shanghai Stock Exchange (A-share stock code: 600956). The Company is a leader in the development and utilization of clean energy in North China. It has two major business segments: wind power and natural gas.

Consolidated Installed Capacity of Wind Power

6,587.35_{MW}

Management Capacity of Wind Power

7,085.45_{MW}

Attributable Capacity of Wind Power

6,179.16_{MW}

Wind Power Generation

13.908_{billion kWh}

Natural Gas Transportation / Sales Volume

5.888_{billion Cubic Metres}



Operating Results

RMB **21.372** billion
Revenue

5.38%
Year-on-year revenue growth

RMB **1.672** billion
Net profit attributable to shareholders of
the listed company

RMB **21.693** billion
Net assets attributable to shareholders
of the listed company

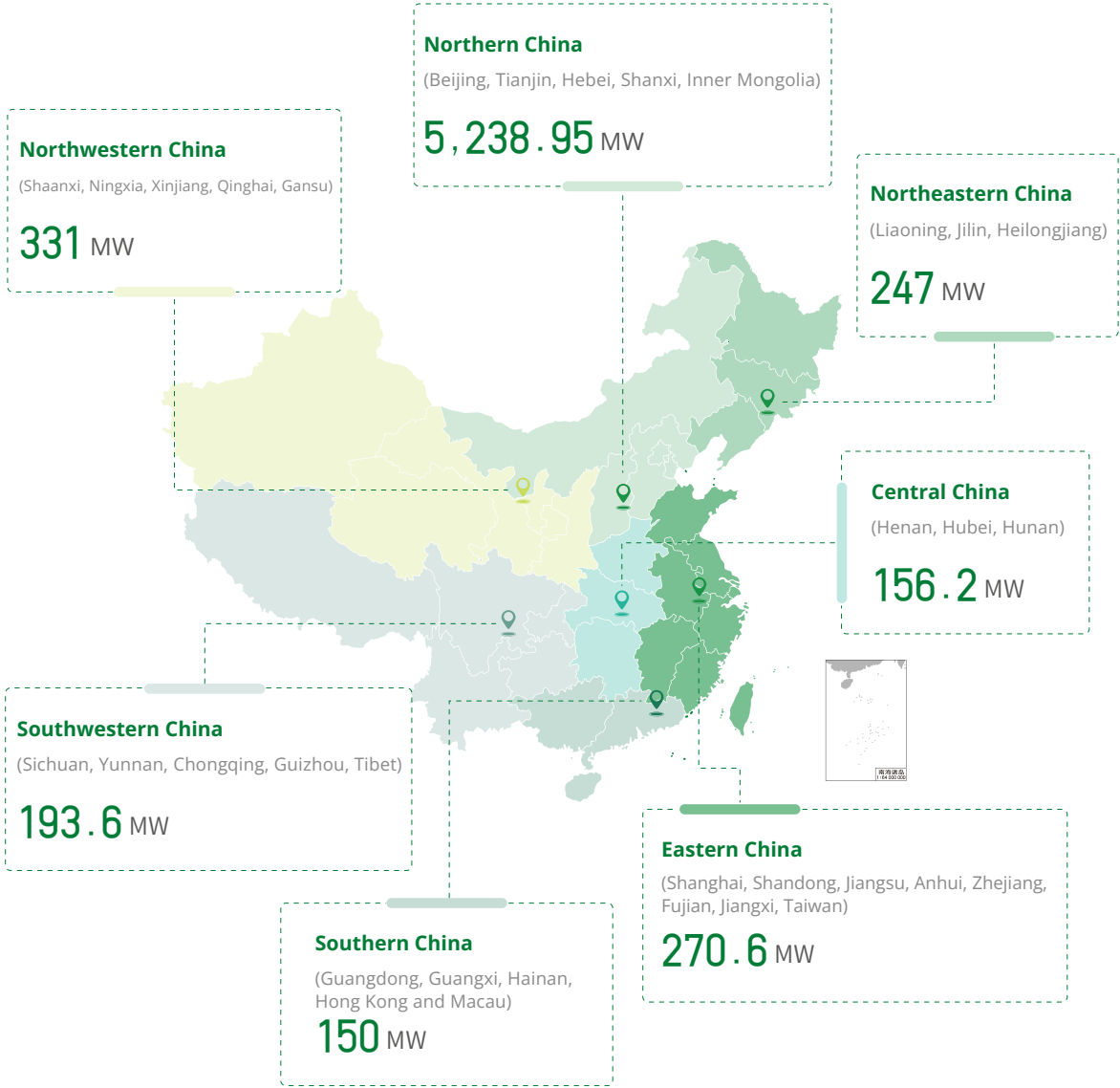
RMB **84.016** billion
Total assets

RMB **0.40**
Basic earnings per share

BUSINESS DISTRIBUTION

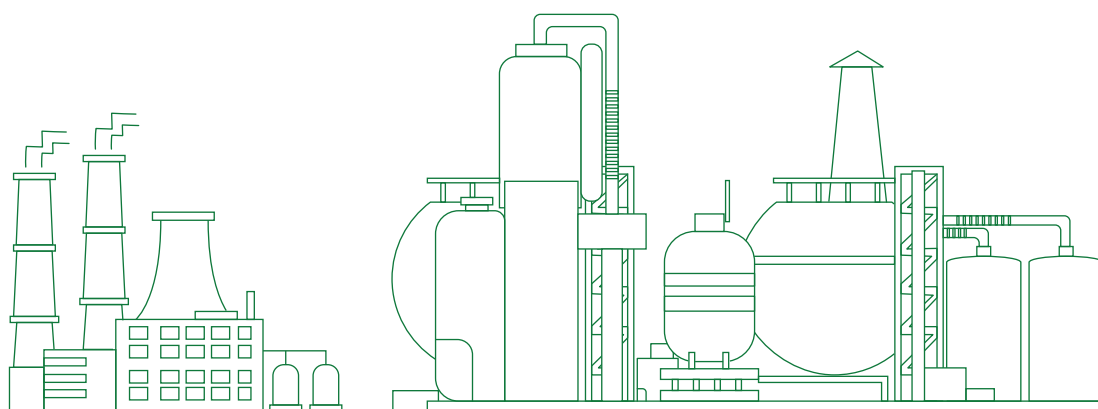
Wind Power Business

Our Company is engaged in the planning, development, operation, and sale of electricity from wind farms, with wind power projects in regions such as Hebei, Shanxi, Xinjiang, Shandong, Yunnan, and Inner Mongolia. Based in Hebei, our Company invests in and develops wind power projects nationwide and actively seeks suitable investment projects overseas. As of 31 December 2024, the installed capacity under our control was 6,587.35 MW, the managed installed capacity was 7,085.45 MW, and the equity installed capacity was 6,179.16 MW. In 2024, our Company's wind power generation amounted to 13.908 billion kilowatt hours, with an availability of 2,226 hours.



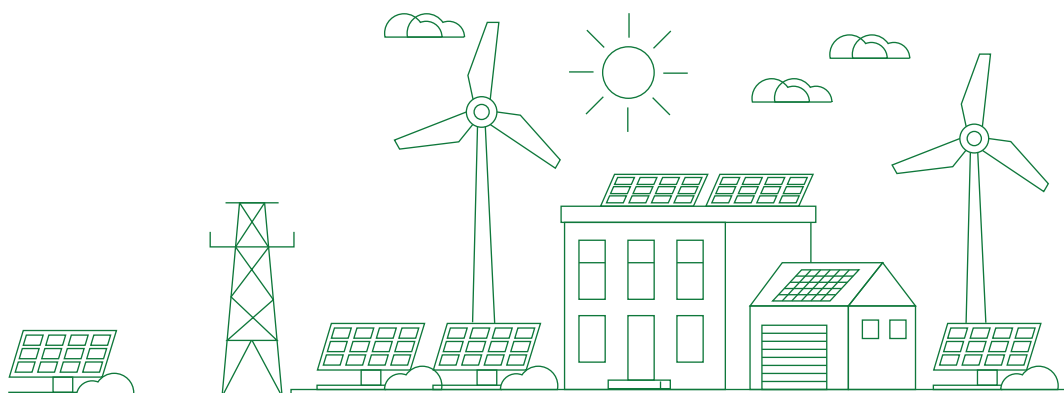
Natural gas business

Our Company operates natural gas receiving, transmission, and distribution facilities in Hebei Province, and sells natural gas externally. As of 31 December 2024, our Company has 1 LNG receiving station, 11 long-distance natural gas pipelines, 21 high-pressure branch pipelines, 33 urban gas projects, 34 distribution stations, 19 gate stations, 5 CNG mother stations, 3 CNG refueling sub-stations, 3 LNG refueling stations, and 1 L-CNG co-construction station. In 2024, the Company's natural gas transmission/sales volume was 5.888 billion cubic meters, of which the sales volume was 5.158 billion cubic meters.



PV Business

In 2024, the company added 243.07 MW of new photovoltaic managed installed capacity, of which the newly added controlling installed capacity is 243.07 MW. As of December 31, 2024, the company's cumulative controlled installed capacity reached 369.19 MW, while the cumulative managed installed capacity stood at 539.19 MW. The cumulative controlled operational capacity was 138.12 MW. Additionally, the company had 168.93 MW of photovoltaic controlled under-construction projects. In accordance with the adjustment of the Company's business strategy, in order to further focus on its core businesses and concentrate resources on wind power generation and natural gas-related industries, the Company will no longer invest in the development of photovoltaic power generation business independently, except for the equity investments that must be retained. Therefore, after the completion of the projects, the Company plans to gradually sell or transfer the existing photovoltaic business with its holdings.



Corporate Governance

Sound corporate governance is the cornerstone of business development. Suntien has established a corporate governance mechanism with clear division of responsibilities, continuously strengthened internal control and risk management, adhered to high standards of business ethics and compliance requirements, deepened the construction of a culture of integrity, guaranteed the legitimate rights and interests of investors, and ensured the steady development of the enterprise with high-level corporate management.

Key performances



In 2024, The Company held

4 general meetings of shareholders

14 meetings of Board of Directors

5 meetings of Board of Supervisors

5 Audit Committee meetings

2 Remuneration and Appraisal Committee meetings

3 Nomination Committee meetings

1 Strategic Investment Committee meeting

Corporate Governance System

Suntien strictly abides by the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines for the Governance of Listed Companies and other relevant laws and regulations and the regulatory requirements of the listing place, and has established a two-tier governance structure composed of the general meeting of shareholders, the board of directors, the board of supervisors and the senior management ("Three Meetings and One Level"). We have formulated and issued a series of institutional documents including the Articles of Association, Rules of Procedure for the General Meeting of Shareholders, Rules of Procedure for the Board of Directors, Rules of Procedure for the Board of Supervisors, and implementing rules for various special committees, clarifying the division of responsibilities, ensuring each level performs its duties, coordinating and supervising each other, and guaranteeing the effectiveness and compliance of corporate governance.

The Board of Directors is responsible for convening the general meeting of shareholders and reporting its work to the general meeting of shareholders, implementing the resolutions of the general meeting of shareholders, deciding on the Company's business plans and investment plans, determining the setup of the Company's internal institutions, formulating the Company's basic management system, and other major matters. The Board of Directors has established an Audit Committee, a Remuneration and Appraisal Committee, a Nomination Committee, and a Strategic Investment Committee to assist the Board of Directors in performing its duties and providing suggestions or advice for the Board's decisions. The Board of Supervisors of the Company performs and independently exercises its supervisory duties, supervises the operation of the Company in accordance with the law, and supervises the performance of duties by the Board of Directors and senior management, effectively safeguarding the interests of the Company, shareholders and other stakeholders. As of the end of the Reporting Period, the Board of Directors of our Company consisted of 9 directors, including 5 non-executive directors, 1 executive director, and 3 independent non-executive directors. The Board of Supervisors of the Company has 3 supervisors, including 1 external supervisor, 1 employee representative supervisor, and 1 independent supervisor.

Board Diversity and Professionalism

The Company considers the diversification of the members of the Board of Directors to be a key element in supporting the Company to achieve its strategic objectives and maintain sustainable development. We have fully considered diversity requirements when setting the composition of the Board of Directors, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge, and length of service. The Company's Nomination Committee will regularly assess the implementation and effectiveness of the Board Diversity Policy. To further enhance the development needs for diversity within the company's board of directors, during the Reporting Period, Suntien elected Ms. Zhang Xulei to serve as a Non-executive Director of the Fifth Session of the Board of Directors of the Company. The board members of Suntien possess backgrounds in various fields such as economics, management, electronic engineering, financial accounting, and information technology. Most of them hold master's degrees or above, and they have the rich knowledge, skills, and experience required to fulfill their duties. They provide strong support for the Company's major decisions and long-term development.

Executive compensation management

The Company's Remuneration and Appraisal Committee is responsible for formulating formal and transparent remuneration policies and structures, remuneration and performance assessment schemes for the Company's directors and senior management, and establishing assessment criteria. We adopt a "basic salary + performance-based salary" remuneration structure, which mainly includes fixed wages, performance bonuses, long-term incentives, allowances, medical insurance, and annual physical examinations. The remuneration scheme comprehensively considers the average annual salary levels of the relevant industry, the Company's profitability, and the achievement of annual operational targets and other factors. It establishes performance assessment indicators and incorporates sustainability-related performance into the assessment to guide senior management in proactively aligning with the Company's strategy and fully mobilizing their enthusiasm. In the future, we will also discuss and formulate a clawback mechanism for remuneration, which means that when executives of the Company cause losses to the Company due to violations of laws and regulations or major mistakes, the Company has the right to recover the remuneration already paid, so as to further strengthen their sense of responsibility and safeguard the interests of the Company and its shareholders.

In order to further establish and improve the Company's long-term incentive mechanism, attract and retain outstanding talents, the Company has established a share incentive scheme, the scheme participants include the Company's directors, senior management (excluding independent directors, external directors, supervisors), technical and business backbones, closely combining the interests of employees with the long-term development of the Company and enhancing the competitiveness of the enterprise. In 2024, a total of 225 scheme participants were granted restricted shares under the Company's A-share restrictive share incentive scheme.

Internal Control and Risk Management

Suntien has always placed great emphasis on the establishment and improvement of its risk management and internal control systems. The Company optimizes its risk identification and assessment mechanisms, enhances its risk handling capabilities, deepens its risk management philosophy, and ensures the sustained and stable development of the enterprise.

Internal Control

Suntien has established an internal control management organization system composed of the board of directors, the board of supervisors, the management, the internal control construction department, the internal control evaluation and supervision department, and the internal control operation department to comprehensively supervise and guide the development of the Company's internal control, formulate and implement policy documents such as the Internal Control Management Regulations, guide the subsidiaries to carry out the inspection and improvement of internal control by category, and adhere to the implementation of various systems to individuals, providing a strong support for the effective implementation of internal control. In 2024, we newly formulated and issued the Regulations for the Management of Internal Supervision Mechanism Development to further build a standardized internal supervision mechanism for the Company, integrate supervision resources, share supervision information, further enhance the overall synergy and effectiveness of supervision, improve decision-making quality, and promote and guarantee the improvement of the Company's management and high-quality development.



Leadership Level

- The Board of Directors is the highest decision-making body for internal control management and is responsible for the establishment, soundness and effective implementation of the Company's internal control.
- The Board of Supervisors is the supervisory body for internal control management and is responsible for supervising the Board of Directors and the management in establishing and implementing internal control.



Management level

- The President's Office Meeting shall exercise the functions of the management, be responsible for organizing and leading the specific and daily development, design, implementation and supervision of the Company's risk management and internal monitoring system, and provide confirmation to the Board of Directors on whether the system is effective.



Execution level

- The Audit and Legal Department is the internal control development department, which is mainly responsible for the organization, coordination and management of internal control construction.
- Each department and subsidiary of the Company is an internal control operation unit, which is responsible for carrying out internal control development, implementation and evaluation under the unified organization of the Company according to the division of labor of the internal control process.

The Company conducts a system-wide internal control self-assessment every year in accordance with the requirements of the "Guidelines for Internal Control of Listed Companies on the Shanghai Stock Exchange" and publishes the "Annual Internal Control Self-Assessment Report", basically achieving full coverage of internal control assessment of business processes.

In addition, we promote the development of internal and external audit of the Company on a quarterly basis, sort out the audit problems found, and formulate corresponding rectification measures to avoid the recurrence of problems. In 2024, we carried out a total of 38 internal audits, including 15 pre-departure audits, 20 in-service audits, and 3 special audits.

Risk Management System

Suntien considers risk management one of the cores of its business development. We have established a risk management organizational structure with clear responsibilities and authorities. Through scientific and systematic risk management mechanisms, we carry out whole-process risk management including risk information collection, risk identification, risk assessment, risk response, risk monitoring and early warning, risk supervision, evaluation, and improvement. We regularly review the soundness and effectiveness of the risk management system, timely optimize risk management strategies, and adjust risk early warning indicators to ensure that they adapt to changes in the internal and external environments, and ensure the stable operation and sustainable development of the Company's businesses.



Leadership Level

- The Board of Directors is the highest leading and responsible body for the Company's comprehensive risk management.
- The Audit Committee is the professional leading body for comprehensive risk management, responsible for reviewing important matters related to comprehensive risk management and guiding the operation of risk management.



Management level

- The President's Office Meeting is the daily leading body for comprehensive risk management, supervising and guiding risk management.



Suntien risk management process

Risk identification and assessment

Suntien has formulated and implemented the Comprehensive Risk Management Regulations and regularly conducts annual risk assessments and monitoring of significant risks for early detection. In 2024, the Company carried out annual risk identification and assessment for the headquarters and all second-tier subsidiaries, completed the risk level ranking and risk map of the Company, and identified a total of 3 major annual risks, namely, competitive risks, policy risks, and price risks, and formulated corresponding response plans to further improve the Company's risk and internal control system and effectively avoid risks.

Risk monitoring and early warning

Through a real-time risk monitoring and early warning mechanism, Suntien timely monitors the control status of potential risks and regularly evaluates and adjusts risk warning indicators and their thresholds, enabling the Company to dynamically respond to a complex and volatile market environment and strengthen its risk resilience. In 2024, Suntien added five risk warning indicators, including the cash flow liability ratio and the proportion of accounts receivable and inventory to current assets, adjusted the thresholds of work safety warning indicators and environmental protection risk warning indicators, and updated and optimized the thresholds of indicators such as return on net assets and operating cash flow ratio against the 2024 Corporate Performance Evaluation Standard Values. At present, Suntien has 17 categories and a total of 99 early warning indicators in its entire system, and good results have been achieved in terms of the overall risk prevention and control level.

Risk Culture Development

Suntien is committed to building a comprehensive risk culture and continuously improving it, integrating risk management culture into the Company's daily operations, and establishing a long-term mechanism for risk management. We conduct risk awareness campaigns and cultivate risk management capabilities through various training methods, including online and offline training. At the same time, we incorporate risk management indicators into the daily performance appraisal of senior management and employees to help them better understand the link between their jobs and the Company's overall risk management goals, thereby enhancing risk awareness and encouraging proactive attention to and prevention of risks.



Risk Management Capacity Enhancement Training in 2024

In October 2024, Suntien held a 2024 risk management capacity enhancement training in accordance with the guidance of the Three-Year Training Plan on Risk Management (2022-2024). More than 230 employees participated in the training, which focused on explaining the current rules and regulations related to risk management, analyzing and illustrating key business risk points and compliance points with real cases, sharing and drawing on the experience of other leading companies in building internal control and risk management systems, helping trainees learn and master risk management methods based on business scenarios, and further enhancing their awareness of "identifying risks, strengthening internal control, and promoting compliance," so as to effectively fulfill their risk control responsibilities.



Site of Suntien's Risk Management Capacity Enhancement Training in 2024

Leading with Party Building

Suntien consistently adheres to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and is committed to guiding the Company's development through Party construction efforts. In 2024, Suntien continued to study, publicize, and implement the guiding principles of the 20th Party Congress and the Third Plenary Session of the 20th CPC Central Committee, thoroughly implement the general requirements for Party building in the new era, and strengthen ideological work, organizational building, work style building, system building, talent team building, and daily Party affairs work, providing a strong political guarantee for the Company's high-quality development. In 2024, the Company's Party committee organized and held 34 Party committee meetings as required, covering a total of 201 decision-making research topics, fully leveraging its leadership role in setting direction, managing the overall situation, and promoting implementation.



Suntien Organizes Study Session on the Spirit of the Third Plenary Session of the 20th CPC Central Committee

To guide Party members and cadres in studying and understanding the spirit of the Third Plenary Session of the 20th CPC Central Committee and implementing the spirit of the meeting without fail, on 19 July, the Party committee of Suntien organized Party members and cadres, activists, and representatives of prospective Party members within the system to watch the press conference on the interpretation of the spirit of the Third Plenary Session of the 20th CPC Central Committee. By watching the press conference, Party members and cadres gained a deep understanding of the themes, major principles, key measures, and fundamental guarantees for further deepening comprehensive reform, as well as the need to translate the strategic plan for comprehensive deepening reform into a powerful force for advancing Chinese modernization. The Company's Party committee will, in conjunction with studying, publicizing, and implementing the spirit of the Plenary Session, strive to arm itself with the Party's innovative theories, and improve the Party's Marxist theoretical level and capacity for modernization. We will improve the system for exercising full and rigorous Party self-governance, further promote the building of a clean and upright political environment within the Party and the fight against corruption, consolidate and expand the achievements of thematic education, deepen education and study on Party discipline, and constantly enhance our creativity, cohesiveness, and combat effectiveness.



Suntien Watches Press Conference on the Interpretation of the Third Plenary Session



The HECIC New Energy Holds a Joint Themed Party Day and Cautionary Education Event

On 21 June 2024, the Party committee of the HECIC New Energy organized 50 Party members and cadres to visit the Memorial Hall of the Anti-Japanese Military and Political University in Qiannanyu, Xingtai, and carry out a joint themed Party Day and cautionary education event on Party discipline with the theme of "Stay Alert, Know the Limits, and Show Respect; Rigorously Comply With the 'Six Rules', and Achieve Alignment Between Understanding and Practice." This event effectively enhanced the cohesion of the Company's Party members and further improved the ideological and political awareness of Party members and cadres.



The HECIC New Energy's Themed Party Day Event



Hebei Natural Gas Conducts Themed Party Day Event of "Upholding the Red Aspiration and Gathering Strength for Progress"

The Party committee of Hebei Natural Gas organized Party branch secretaries, outstanding Party members, probationary Party members, and representatives of Youth League members to visit Xibaipo, a revolutionary sacred place, to carry out the themed Party Day event of "Upholding the Red Aspiration and Gathering Strength for Progress", revisiting the red memories and keeping in mind the original aspiration and mission. Through visiting exhibitions, visiting relic sites, and listening to Party lectures present to deeply feel the revolutionary history of new China, further strengthen their ideals and convictions, carry forward the Xibaipo spirit, and encourage everyone to strive to be the "test takers" of the new era.



Hebei Natural Gas' Themed Party Day Event of "Upholding the Red Aspiration and Gathering Strength for Progress"

Key performances



0

Cases of commercial bribery and corruption

0

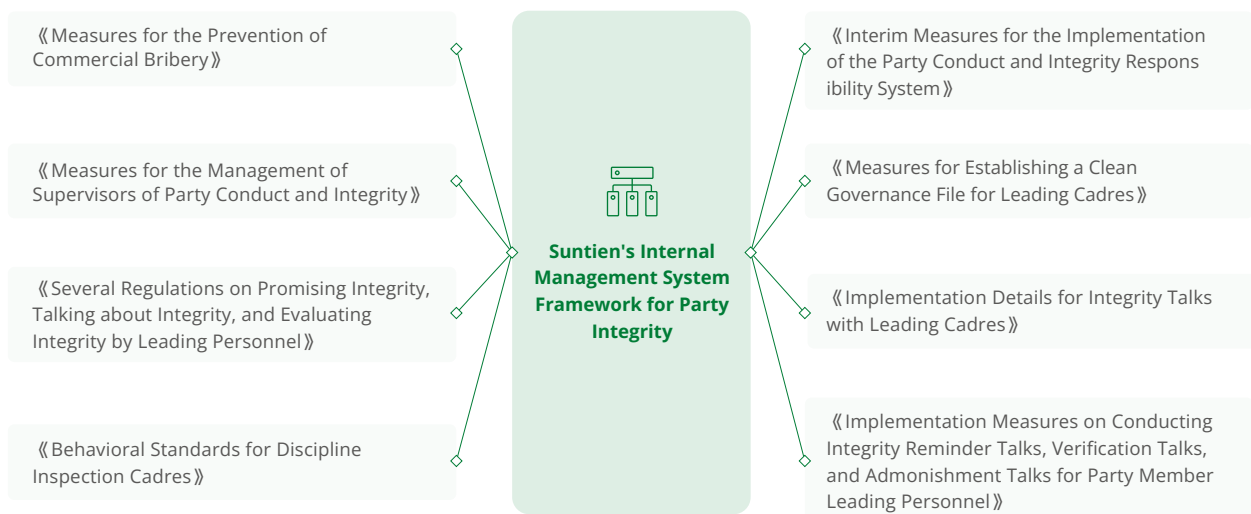
Cases of litigation or major administrative penalties against the Company due to unfair competition

Business Ethics and Anti-Corruption

Suntien strictly abides by the Criminal Law of the People's Republic of China, the Anti-Monopoly Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, and other laws and regulations. It has formulated the Business Ethics Management Measures and the Measures for the Prevention of Commercial Bribery, and other internal rules and regulations, established a review and supervision mechanism with the Company's Audit Committee at its core. Such mechanism implemented daily control over matters relating to business ethics, included the regular inspection of business ethics into the scope of supervisory responsibilities, and specified that an inspection on the implementation of business ethics standards be conducted every three years, and formulated effective measures to improve potential problems, so as to continuously improve the Company's business ethics governance.

Suntien requires all employees and business partners to adhere to the code of business conduct, which prohibits monopolistic behavior and unfair competition. Suntien requires all employees and business partners to perform their duties with integrity, oppose any form of corruption and bribery, and resolutely oppose commercial fraud.

In 2024, we developed and revised institutional documents such as the Implementation Details for Integrity Talks with Leading Cadres, the Management Measures for Integrity Files of Leading Cadres, the Provisions on Party Members and Cadres Handling Wedding, Funeral, and Celebration Affairs, and the Management Measures for Liaison Officers of Party Conduct and Integrity Construction, to further promote the development of integrity building. In addition, we require the management of the Company and the heads of each management unit to sign the Commitment to Upholding the Primary Responsibility for Full and Strict Governance over the Party; newly appointed or promoted mid-level and senior leaders are required to pledge their commitment to integrity and undergo regular evaluations by the Supervision Department, setting an example of integrity and self-discipline for all employees.



The Company remains committed to conducting comprehensive Party integrity education, extending to all employees within the Suntien system to bolster awareness of integrity principles. In 2024, the Company held 2 cautionary education conferences, compiled 12 sets of Cautionary Education Learning Materials, produced 12 episodes of cautionary education videos, and organized one event at the cautionary education base to strengthen the awareness of bottom lines among leading cadres and employees in various forms. In 2024, 11,322 participants at Suntien received anti-corruption training, totaling 4,300 hours of training.



Suntien Carries Out Integrity Education Campaign at the Grassroots Level

To robustly advance the Party's integrity and anti-corruption efforts, and to ensure that anti-corruption education reaches the grassroots level, the Party Committee and Discipline Inspection Commission of Suntien have innovatively launched an anti-corruption education initiative at the grassroots level, continuously deepening the effect of anti-corruption education.

The integrity education campaign at the grassroots level was integrated with the annual performance assessment of leading cadres, reaching out to front-line units through various means, such as communicating the essence of relevant documents from superior disciplinary inspection commissions, organizing viewings of cautionary education films, holding symposiums, and conducting questionnaires. This aimed to guide and educate grassroots Party members and cadres to always maintain their bottom line, avoid crossing red lines, and foster a sense of reverence and adherence to rules. These efforts further promoted the implementation of the "Fear, Rules, Will: Corruption-Free" against corruption at the grassroots level, effectively encouraging integrity in performing duties and regulating the exercise of power among grassroots Party organizations and a wide range of Party members and cadres, while also alleviating the burden on front-line units and deepening the effect of integrity education. This campaign covered 26 Class I management units of the Company, conducted discussions with the leadership teams of 59 Class I management units, and educated 356 cadres and employees.



Integrity Education at the Grassroots Level

Whistleblower Protection

Suntien has established a clear whistleblowing mechanism and handling procedures. We have opened public complaint channels through various means such as telephone and email for stakeholders, including employees, suppliers, and customers. We encourage employees and other interested parties to actively report any acts that infringe upon the Company's legitimate rights and interests, such as its property and reputation, as well as violations of national laws and regulations and the Company's rules and regulations. At the same time, we attach great importance to the protection of whistleblowers. We strictly keep confidential the information about whistleblowers, such as their names, units, addresses, and contact information, as well as the content of their reports. We strictly prohibit any form of retaliation against whistleblowers.



Honors and awards received by the Company during the Reporting Period

15th China Listed Companies H-Share
Investor Relations Pegasus Award

Best Practices of 2023 Annual Report
Performance Briefing

Investor Relations Management

Suntien attaches great importance to investor relations management. In accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines for Investor Relations Management of Listed Companies, and other relevant laws and regulations, Suntien has formulated the Rules for the Management of Investor Relations. We adhere to four fundamental principles in investor relations management: compliant information disclosure, equal treatment of investors, proactiveness, and integrity. We have established various communication methods and channels, including analyst meetings, performance briefings and roadshows, investor summits, and site visits, to actively safeguard the rights and interests of investors and actively listen to their expectations and opinions.

- Received over **80** online and offline investor research visits, with the number of investor receptions increasing by approximately **60** %year-on-year, reaching a wider range of investor groups and significantly enhancing the Company's market visibility.
- Participated in over **10** offline strategy conferences held by securities firms.
- Regularly held annual, semi-annual, and quarterly performance briefings at the Shanghai Stock Exchange Roadshow Center, interacting with investors and analysts face-to-face through "live broadcast + on-site guest interaction + online text interaction" and providing real-time answers to questions about the Company's operations and financial status.
- Actively responded to nearly a hundred inquiries on the interactive platform and investor hotline, with a **100** % response rate.

ESG Governance

Suntien views sustainable development as a vital driving force in generating long-term value. We are dedicated to enhancing our ESG governance system, establishing ESG action strategies and targets, continuously improving our internal ESG management capabilities, and proactively listening to and responding to the demands of stakeholders. Through these efforts, we strive to achieve the harmonious coexistence of corporate development and social responsibility.

Board ESG Statement

Suntien adheres to the requirements of the Hong Kong Stock Exchange's *Environmental, Social and Governance Reporting Guide* and the Shanghai Stock Exchange's *Guidelines No. 14 for the Self-regulation of Listed Companies - Sustainability Report (Trial Implementation)*. We continuously improve the Company's environmental, social and governance (ESG) governance system, establish a sound ESG working mechanism, and proactively integrate ESG into the Company's development strategies, major decisions, production and operation to create long-term value for the enterprise.

By setting up a three-level ESG governance structure including the Board of Directors, Suntien ensures the effective implementation of ESG management and social responsibility work. As the highest decision-making and supervisory body of Suntien, the Board of Directors is responsible for overseeing, approving, and making decisions on strategies, policies, objectives, risks and related ESG matters of the Company to ensure the integration of ESG philosophy and corporate strategy. The President's Office Meeting, under the Board of Directors, comprehensively coordinates the overall arrangement and advancement of ESG matters. It is responsible for reviewing the Company's ESG strategies and objectives, clarifying the Company's ESG management status, and ensuring that the Company's ESG management is aligned with its development direction.

The Company attaches great importance to ESG risk management and regularly identifies and analyzes ESG risks and opportunities in conjunction with macroeconomic policies, industry development trends, the Company's strategic development plan, production and operation status, and stakeholder demands. Materiality assessments are conducted through stakeholder surveys, expert evaluations, and other methods to identify key ESG issues, establish key areas and management measures for ESG control, formulate medium- and long-term goals for ESG affairs, regularly review and supervise the completion of ESG efforts, and continuously improve and enhance the level of ESG management. To further ensure the effectiveness of oversight of ESG matters, the Company provides ongoing training to management on specialized knowledge or skills related to ESG, ensuring that they have access to internal and external resources and expertise applicable to the ESG management process.

This report discloses in detail the progress and achievements of Suntien's ESG work in 2024 and has been reviewed and approved by the Board of Directors on 25 March 2025. The Board of Directors and all Board members of the Company guarantee that there are no false records, misleading statements or major omissions in the content of this report, and take individual and joint responsibility for the authenticity, accuracy and completeness of the content.

ESG Management System

Suntien has established a three-tiered "governance-management-execution" ESG management framework that is structurally sound, hierarchically clear, well-defined in terms of responsibilities, and operates efficiently. This framework ensures that the Company fully considers the potential impact and opportunities of environmental, social, and corporate governance factors in major decisions, integrating ESG principles into its corporate strategy.



Board of Directors

The Board of Directors, as the core decision-making and highest governing body for the Company's sustainable development efforts, plays a supervisory and guidance role, holding the highest supervisory authority and is responsible for overseeing, approving, and making decisions on strategies, policies, objectives, risks, and other material ESG matters.



President's Office Meeting

As part of the management level of the ESG governance framework, the President's Office Meeting comprehensively oversees the overall arrangement and advancement of ESG matters. It is responsible for deliberating on the Company's ESG strategies and goals, as well as policies, decisions, and practices related to material ESG issues. The President's Office Meeting also reviews and monitors ESG management progress, regularly collects work reports from the Company's ESG Working Group, and reports on work progress to the Board of Directors, ensuring that the Company's ESG management aligns with its development direction.



ESG Working Group

The ESG Working Group, as the execution level of the ESG governance framework, is responsible for the comprehensive implementation and execution of ESG management. It regularly reports work plans and results to the President's Office Meeting.

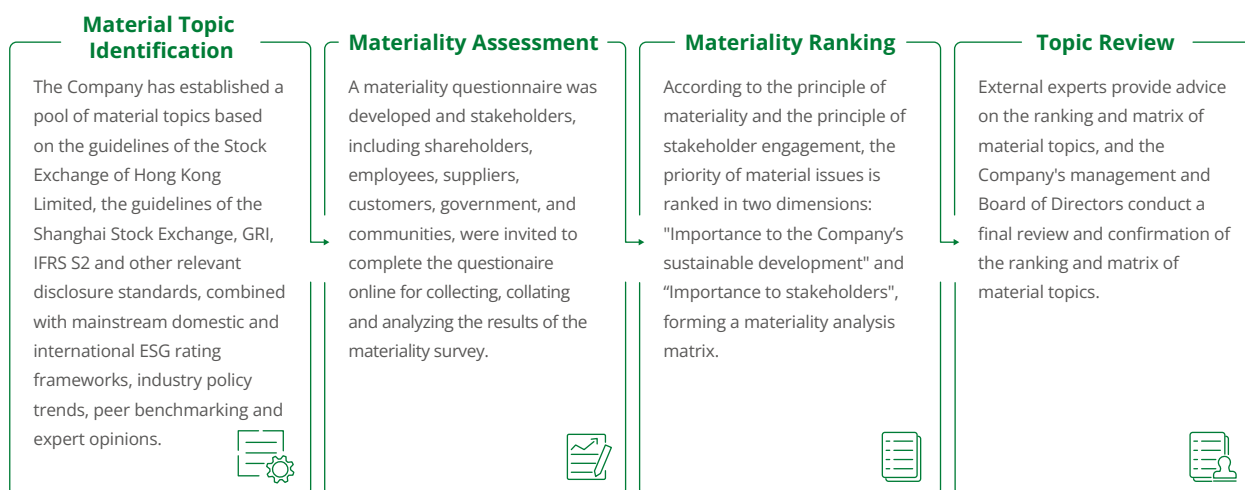
Stakeholder Communication

Suntien believes that effective stakeholder communication is a vital foundation for promoting the Company's sustainable development. Suntien has long actively listened to and responded to the opinions and demands of internal and external stakeholders, continuously improving long-term communication mechanisms, creating diversified communication channels, and taking concrete actions to address the expectations of stakeholders in a targeted manner.

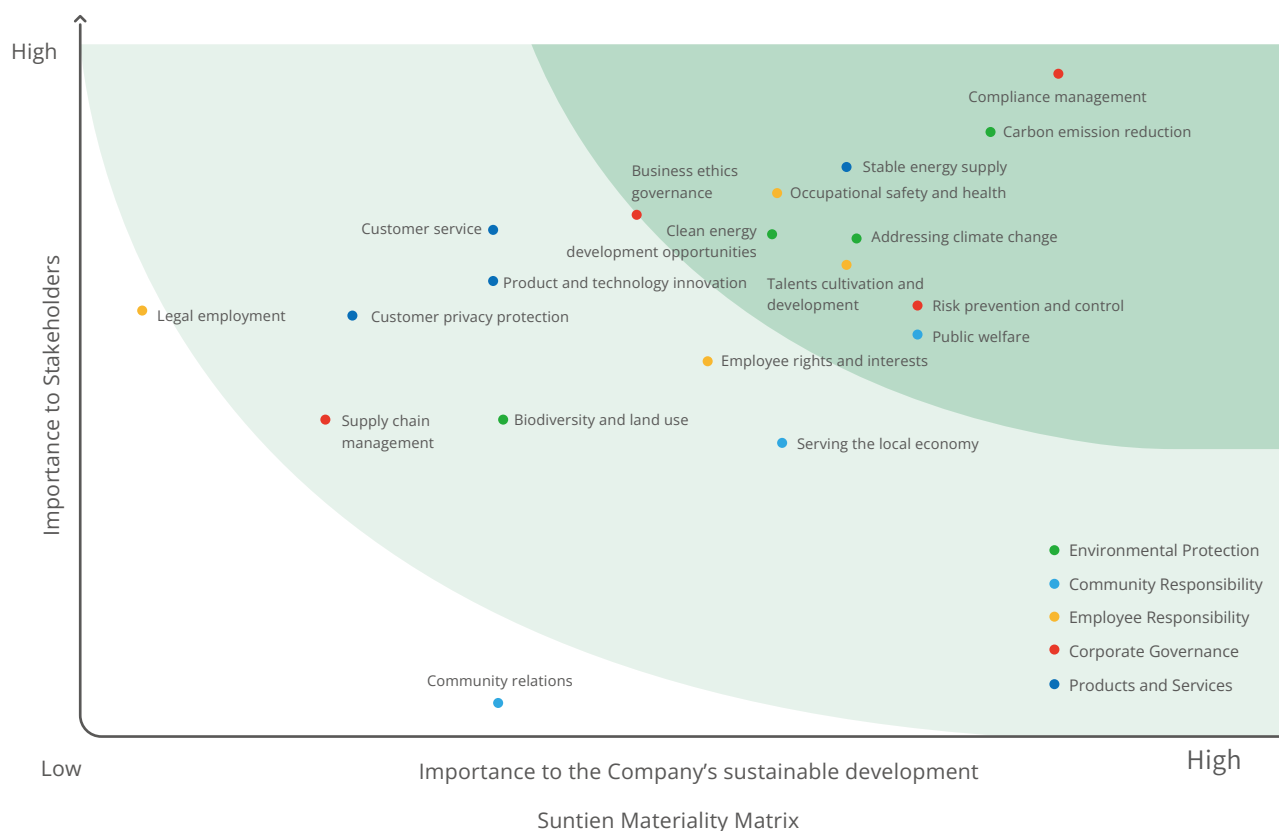
Stakeholder Type	Key Expectations	Key Responses	Communication Channels
 Shareholders	<ul style="list-style-type: none"> Consistent and stable investment returns Timely information disclosure Compliant business operations 	<ul style="list-style-type: none"> Improve business diversity Establish a system for regular information disclosure Improve the internal compliance system 	<ul style="list-style-type: none"> Annual reports and corporate announcements Information dissemination channels including roadshows
 Employees	<ul style="list-style-type: none"> Decent working environment Ample opportunities for career development Competitive remuneration packages Comprehensive health and safety protection 	<ul style="list-style-type: none"> Improve internal management systems such as staff recruitment and promotion Enriched daily life Provide diverse work and life security for employees 	<ul style="list-style-type: none"> Internal website Internal corporate publication Suntien WeChat subscription account
 Suppliers	<ul style="list-style-type: none"> Fair, just and open procurement process Punctual fulfilment of contractual obligation 	<ul style="list-style-type: none"> Ensure transparency in procurement process and receive internal and external supervision Reasonable management and control of cash to ensure timely payment 	<ul style="list-style-type: none"> Announcements and notices for procurement and tender on governmental websites Corporate corruption reporting hotline
 Customers	<ul style="list-style-type: none"> Continuous, reliable and safe supply of natural gas Timely response to customer demands Service quality improvements 	<ul style="list-style-type: none"> Establish a comprehensive safety supervision and response system Improve customer complaint handling process, and establish a responsibility identification system for customer complaints Compile a standardised service manual 	<ul style="list-style-type: none"> Regular community promotions for safe use of gas Visit dissatisfied customers Conduct customer satisfaction surveys
 Government	<ul style="list-style-type: none"> Drive local and surrounding industry development Enterprise operation in compliance with laws and regulations 	<ul style="list-style-type: none"> Provide job opportunities and pay taxes at the location of operations Cooperate with government supervision and improve internal compliance monitoring Ensure compliance with laws and regulations regarding environment, safety and integrity 	<ul style="list-style-type: none"> Participate in government meetings and regularly visit the government Receive governmental supervision
 Community	<ul style="list-style-type: none"> Contribute to community development Participate in community activities to maintain good communication 	<ul style="list-style-type: none"> Improve local infrastructure in terms of road and power grid construction Aid rural development in terms of assistance provided to designated persons Maintain good communication with local residents and herdsmen 	<ul style="list-style-type: none"> Survey of community representatives Visits in daily operation
 Banks	<ul style="list-style-type: none"> Good creditworthiness and strong ability to pay debts Stable business development 	<ul style="list-style-type: none"> Pay debts on time to maintain creditworthiness Strengthen cooperation with domestic and foreign banks 	<ul style="list-style-type: none"> Regular direct communication
 Academic institutions	<ul style="list-style-type: none"> Continuous investment in innovation Strengthen cooperation with academic institutions to improve ability to apply research results 	<ul style="list-style-type: none"> Increase internal R&D investment, improve intellectual property and innovation management Increase cooperation and exchanges with universities, colleges and other research institutions 	<ul style="list-style-type: none"> Cooperation fairs

Materiality Assessment

In accordance with the requirements of the Stock Exchange of Hong Kong Limited's Environmental, Social and Governance Reporting Guide, Suntien conducts an ESG issue identification and assessment every three years through anonymous questionnaires, by referring to domestic and international ESG disclosure standards and rating frameworks, industry policy trends and peer benchmarking. After analyzing and evaluating the questionnaires, ESG issues are identified, a materiality matrix is drawn up and submitted to the Board of Directors for review and comment. In 2024, on the premise that there were no significant changes in the Company's business environment, the material topics approved by the Board of Directors in 2023 were followed for key disclosure.



Suntien Materiality Identification and Assessment Process



02

ADDRESSING CLIMATE CHANGE

Against the backdrop of an increasingly severe global climate crisis, Suntien is acutely aware of the urgency and challenges of addressing climate change. Therefore, the Company has established a climate management system, identified climate risks and opportunities, and formulated response measures in accordance with the standard requirements of international organizations, domestic regulatory bodies and the characteristics of the industry. We are committed to showcasing the Company's efforts and achievements in addressing climate change to stakeholders in a transparent and responsible manner, and to making unremitting efforts to achieve a sustainable future.

SDGs covered in this chapter



Material issues covered in this chapter

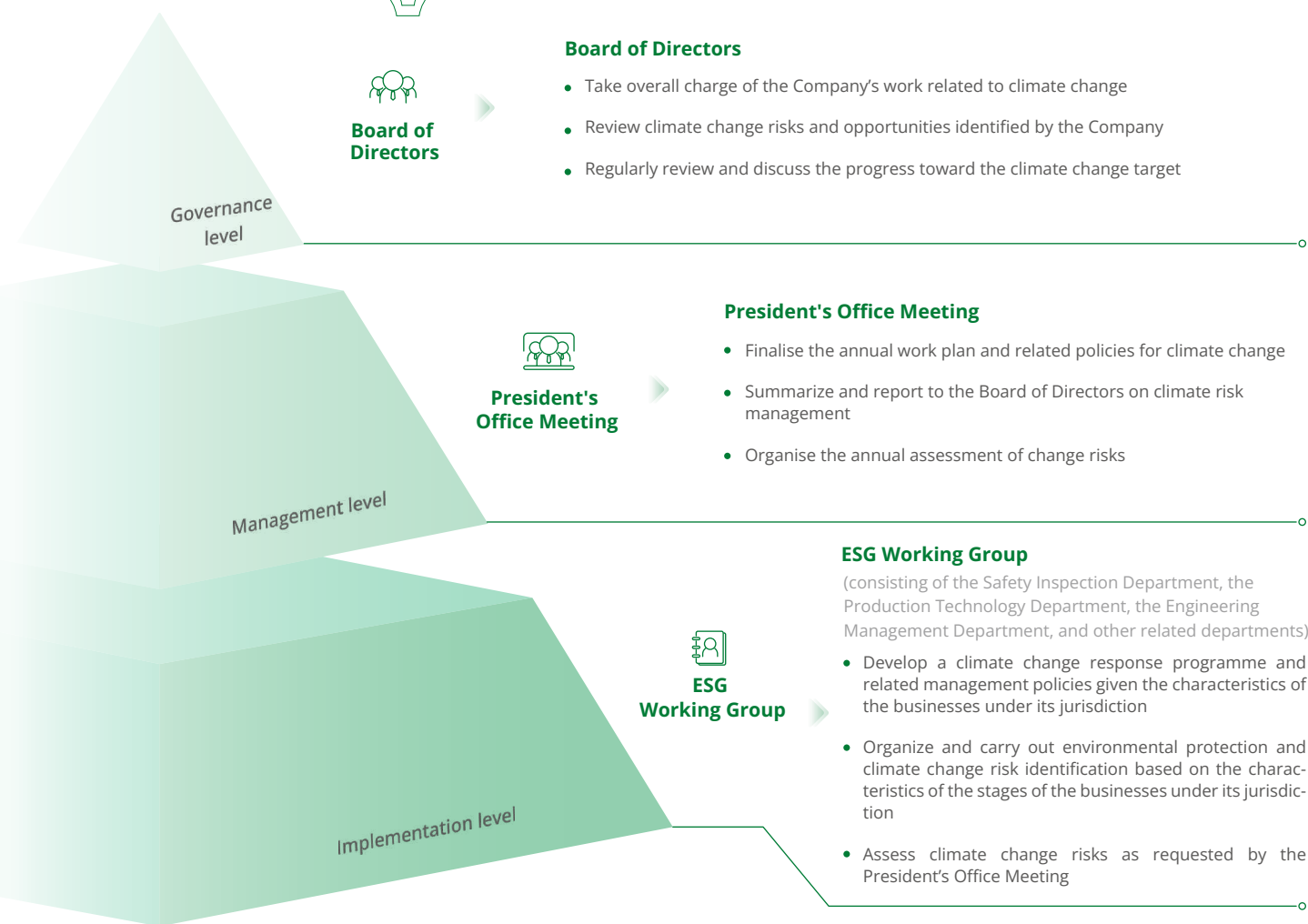
- Addressing climate change
- Carbon emission reduction
- Clean energy development opportunities





Climate Governance

Suntien considers climate governance as an integral part of the Company's sustainable operations and integrates it into all aspects of corporate governance, risk management, and business operations. We are committed to improving the environmental and climate governance structure with the Board of Directors at its core, clarifying the division of responsibilities, gradually establishing a climate change response mechanism, coordinating with the Company's management and various functional departments to carry out climate change management and implementation, actively promoting the implementation of the Company's climate strategy and climate risk management work to address the risks and opportunities brought by climate change, and contributing to the national "dual carbon" strategy.



Climate Risk Management

Suntien attaches great importance to climate risk management and is committed to integrating climate factors into all aspects of its corporate governance and risk management decision-making processes, actively identifying, assessing, and managing climate-related risks and opportunities to enhance business resilience and create long-term value. We have integrated climate risk factors into the Company's comprehensive risk management framework and processes. The Board of Directors, the Audit Committee, and the President's Office Meeting serve as the highest leading and responsible body, the professional leading body, and the daily leading body for risk management respectively, with the Audit and Regulation Department as the daily working body for risk management.

During the Reporting Period, Suntien conducted a comprehensive analysis of climate-related risk events and their risk performance, evaluating and scoring them from the two dimensions of likelihood of occurrence and severity of impact. Through statistical collation, some climate risk factors were incorporated into the 2024 annual risk ranking and risk map. For climate factors identified as major annual risks and significant risks, we will formulate specific response plans in accordance with the basic procedures of risk management and monitor the risks and their changes.

Based on the Company's annual risk identification, three climate transition-related risks, namely, energy market competition risk, national climate policy risk, and electricity market price risk, were identified as major annual risks. In addition, business structure and transformation risks were identified as significant risks to the Company.



Climate Risk Assessment and Response

Based on the results of risk identification, Suntien has conducted in-depth climate risk analysis and systematically sorted out the transition risks, physical risks, and transition opportunities related to its business. For the identified risks, we have formulated corresponding response measures and continuously optimized our corporate climate risk management system by constantly focusing on major risks, actively carrying out climate risk management activities, and referring to excellent industry practices.

Category	Risk factors	Risk transmission path	Response actions
Transition risks	National climate policy risk	<ul style="list-style-type: none"> The State has introduced policies to support the development of new energy and natural gas industries, but the introduction of various restrictive or exchange measures and regulations has also brought uncertainties to the Company's investments With the proposal of the "dual carbon" goals and the continuous deepening of the oil and gas system, the bridging role and resource support role of natural gas in energy transformation have been further reflected, and it will enter a new stage of diversified competition in the future 	<ul style="list-style-type: none"> For the new energy sector, we will strengthen the assessment of regional policies for innovative demonstration projects, distributed energy and integrated energy businesses, promote the diversified model of "new energy +", and enhance management and operation capabilities The natural gas sector closely follows national policy guidance, optimizes receiving terminals and pipeline network infrastructure, improves technology application and operational efficiency, enhances resource security capabilities, and flexibly responds to market changes
	Energy market competition risk	<ul style="list-style-type: none"> The business models of new energy projects are undergoing profound changes. With the continuous increase in development costs such as various compensations and payments, the difficulty is increasing in developing advantageous resources across the country In the natural gas industry, with the official operation of PipeChina, the level of fair and open market access has continuously improved. Gas source enterprises are accelerating their deployment in the terminal market, and terminal market competition will intensify in the future 	<ul style="list-style-type: none"> Based on the Company's existing resources and technologies, we will actively develop diversified businesses such as hydrogen energy, pumped storage, gas-fired power generation, and new energy storage, which are complementary with and extended from new energy sources, to enrich and optimize the Company's business structure The natural gas segment will increase its resource security capabilities and price advantages, expand market development and cooperation, and maintain competitive advantages
	Market price risk	<ul style="list-style-type: none"> Wind power and photovoltaic power have entered the era of affordable prices, and deep participation in market-based electricity trading has become the norm. The development of the electricity trading system presents both opportunities and challenges for the new energy industry The national oil and gas system and mechanism have been further deepened and reformed. Under the development trend of changes in supply and demand, independent pipeline networks, and market-based pricing, the gas industry is transforming into a buyer's market, and the risk of price competition is intensifying among enterprises 	<ul style="list-style-type: none"> We will ensure the profitability of electricity trading and achieve revenue diversification by adopting dynamic trading strategies, a quantitative trading system, and early planning for green certificate and carbon trading. At the same time, we will strengthen wind farm investment management and control capital costs We will broaden resource channels, closely follow policies, strengthen communication with the government and the industry, improve sales management, and timely respond to price fluctuations and competition

Category	Risk factors	Risk transmission path	Response actions
Transition risks	Technical risk	<ul style="list-style-type: none"> The achievement of "dual carbon" goals (carbon peak and carbon neutrality) depends significantly on research, development, and application of emerging technologies such as energy technology and digital transformation. The Company needs to promote energy technology innovation with a forward-looking, global, and innovative mindset 	<ul style="list-style-type: none"> Suntien continuously explores green energy technologies, increases investment in technological innovation, accelerates the low-carbon transformation of the industrial chain, and delves into solutions that are more compatible with new types of electric power systems
	Reputational Risk	<ul style="list-style-type: none"> Stakeholders' attention to climate change issues is deepening. If proactive actions are not taken to meet stakeholders' expectations, it may have a negative impact on the Company's reputation 	<ul style="list-style-type: none"> In addition to taking proactive steps, the Company will also disclose its current actions and future plans for addressing climate change to stakeholders in an open and transparent manner
Physical risks	Acute risk	<ul style="list-style-type: none"> Extreme or abnormal weather conditions resulting from climate change, such as heavy rain, typhoons, floods, winter storms, and thunderstorms, may seriously impact the operation of wind farm equipment, resulting in increased operating costs, reduced power generation efficiency, and unstable power generation 	<ul style="list-style-type: none"> We consider extreme weather factors since the project construction phase, improve extreme weather emergency plans, and reduce the impact of disasters We employ technological means to enhance the ability of offshore wind power to withstand typhoons and the resistance of wind turbines in high-risk areas to freezing; We adopt reasonable measures such as commercial insurance to mitigate potential losses We continuously strengthen the operation and maintenance management of natural gas pipelines, enhance peak-shaving capacity by predicting peak gas demand, and increase the climate resilience of company assets and operations
	Chronic risk	<ul style="list-style-type: none"> Chronic risks such as water shortage, sea level rise, changes in wind patterns, and warming trends may lead to a lack of water for cooling power generation units, submergence of coastal wind farm facilities, and unstable wind power generation, leading to increased operating costs, decreased market competitiveness, and increased potential financial risks 	<ul style="list-style-type: none"> We increase R&D investment in climate adaptation technologies, develop a diversified business portfolio of "New Energy +", strengthen risk assessment and management, and enhance the overall capacity to respond to risks

For green energy companies, climate change not only brings challenges to corporate development but also brings significant business opportunities. With the ever-growing demand for clean energy and low-carbon technologies, Suntien will leverage its advantages to build a green and low-carbon energy system with wind and natural gas as the primary energy sources, supported by hydrogen energy, energy storage, and smart management, and build a green value chain to seize climate business opportunities.

BUSINESS	OPPORTUNITY FACTORS	OPPORTUNITY IMPACT PATHWAY
New energy business	New Energy Policies Boost Sustainable Development	China's new energy policies have shown multi-dimensional breakthroughs and deepening in the context of the power industry transformation. The policy direction focuses more on market-based mechanisms, large-scale development, and system synergy building, creating development opportunities for the clean energy business.
	Increased Demand for Renewable Energy	With a rising global demand for renewable energy, the new energy industry is projected to capture a larger market share in solar, wind, and hydro energy. The commitment of governments and corporations to reduce carbon emissions further provides robust support for renewable energy initiatives.
	Technological Synergy is Key for Strengthening Energy Storage and System Regulation	With the accelerated R&D and application of new energy storage technologies, the development of load shifting capabilities on the grid side, and the improvement of inter-regional power transmission channels, the new energy industry is continuously enhancing the regulation capability of the power system to improve energy reliability and stability.
Natural gas business	Clean Energy Transition is Imperative	Natural gas is considered a relatively cleaner fossil fuel, generating lower levels of carbon dioxide and other emissions during combustion. Given the global imperative to mitigate carbon emissions, natural gas stands poised to play a pivotal bridging role in the energy transition as a comparatively cleaner energy source.
	Expansion of International Trade in the Global Natural Gas Market	The international trade of Liquefied Natural Gas (LNG) is steadily expanding, culminating in the formation of a global market. This trend presents broader market opportunities for natural gas exporting countries, thereby incentivizing increased investments in liquefaction and transportation infrastructure.
	Technological Innovation Boosts Supply Chain Upgrade	Technological innovation is pivotal in enhancing the efficiency of natural gas extraction, production, and transportation. The adoption of new technologies such as hydraulic fracturing, advancements to improve drilling efficiency, and Carbon Capture and Storage (CCS) technologies are poised to enhance the sustainability of the entire natural gas value chain.

Climate Strategy, Goals and Actions

Climate Strategy

Suntien integrates climate strategy planning, guided by the strategic objectives of the "14th Five-Year Plan" period. With a focus on new energy and natural gas as its core businesses, the Company optimizes its strategy, strengthens innovation, deepens cooperation, and is committed to building a clean, low-carbon, safe, and efficient energy system, promoting the green and low-carbon transformation of energy to achieve high-quality development.



Adhere to the strategy of "Rooted in Hebei, Expanding nationwide" and continue to increase the development of new energy

- In terms of onshore wind power, we adhere to the strategy of "rooted in Hebei, expanding nationwide" by developing large-scale bases, implementing a platform development strategy, promoting distributed wind power development in rural areas, and enhancing the competitiveness of the onshore wind power business
- In terms of offshore wind power, we actively promote the construction and approval of projects in both provincial and national waters. We are also innovating offshore wind power development models, focusing on large-scale development, and building benchmark projects in offshore wind power
- Drawing on the experience of relevant provinces and regions and leveraging our own advantages, we will strive to secure large-scale base and transmission projects



We will establish a diversified energy storage and load shifting business market, and address the issue of new energy consumption through multiple channels

- Addressing the need for energy storage and peak regulation in new energy power systems, we are optimizing the distribution of independent energy storage projects to promote the efficient consumption of new energy. We are accelerating the preliminary efforts on independent energy storage projects in Northern Hebei and Inner Mongolia, actively participating in the construction of pumped storage projects, and contributing to the development of a new energy powerhouse province
- We are exploring new energy storage models such as chemical energy storage, compressed air energy storage, and flywheel energy storage



We are actively expanding the new energy industry chain and promoting "New Energy + Hydrogen" collaborative demonstration projects

- We are developing the hydrogen energy industry chain, planning pilot projects such as wind-to-hydrogen, wind-to-ammonia, and wind-solar-hydrogen storage integration, increasing the construction of hydrogen production projects and the innovative application of hydrogen industry chain technologies, and expanding applications such as hydrogen blending in natural gas pipelines
- We are actively promoting in-depth demonstration and preliminary progress of various green derivative projects, paving the way for the Company's diversified development



We will consolidate and enhance our advantages in the natural gas sector, expand overseas resources, and ensure energy security

- We will improve our presence along the natural gas industry chain, promote the implementation of key equity cooperation projects, integrate relevant resources, and enhance the coordinated development of the natural gas industry chain
- We will continue to seize industry opportunities and actively explore cooperation opportunities with international natural gas suppliers, strive to secure high-quality overseas upstream gas sources, expand diverse natural gas suppliers and price options, leverage the advantages of our Hong Kong subsidiary's international platform to actively carry out overseas LNG trade, and actively seek suitable overseas investment projects and M&A targets

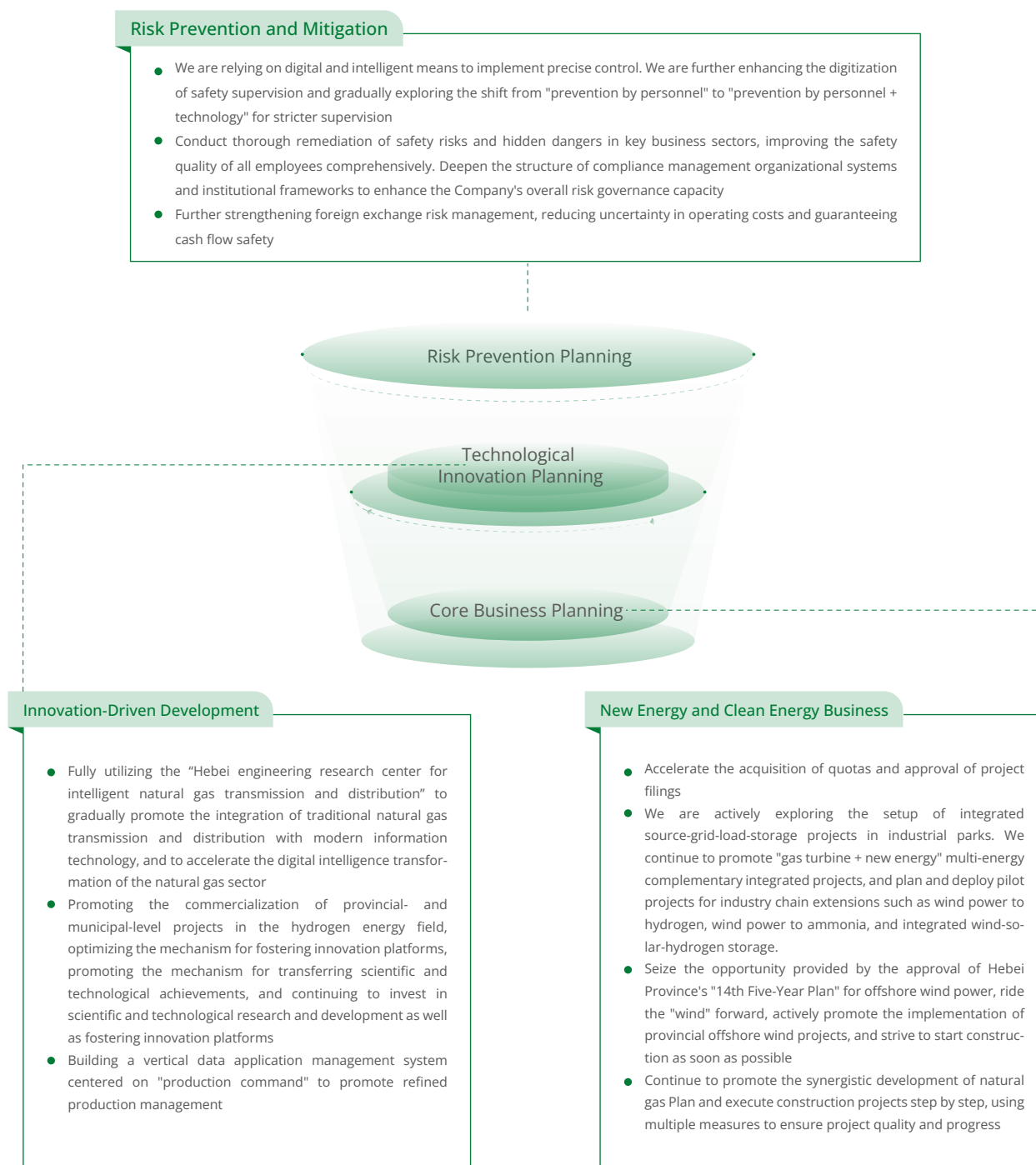


We are leveraging the synergistic advantages of our natural gas and new energy businesses to create multi-energy complementary integrated projects

- By making full use of the synergistic advantages between different business segments, we are promoting the "gas turbine + new energy" integrated projects setup in Cangzhou, Qinhuangdao, and Tangshan, and accelerating the construction of approved gas-fired power plant projects

Climate Action Targets

Guided by the national "dual carbon" goals, Suntien comprehensively coordinates its business development and establishes targets and pathways from three aspects: core business planning, technological innovation planning, and risk prevention planning, laying a solid foundation for achieving climate strategy goals.



Key performances



During the Reporting Period

3,250 MW

of newly contracted wind power capacity

Cumulative effective contracted
capacity of wind power**19,681.25** MW

Distributed in

26 provinces, including
Hebei, Heilongjiang, Xinjiang,
and Inner Mongolia

Climate Action Pathways

Diversified Development of New Energy Business

Building upon the existing advantages in new energy and natural gas development, the Company uses gas-fired power plants as a pivot, making the strategic wings of new energy + natural gas more stable and efficient. Based on the layout of gas-fired power plants, we are transforming the resource advantages of the natural gas business into digestive and absorptive advantages, and the quality advantages of the new energy business into stabilisation advantages. The Company is making every effort to seize the opportunity of the "two-part" tariff policy for gas power plants in Hebei Province. Leveraging the synergistic advantages of gas turbines and natural gas, it will unswervingly promote the approved gas turbine projects to start construction and put into operation as soon as possible, while planning for project reserves and substitutions.

In terms of energy storage projects, the Company will focus on the substantial demand for energy storage and load shifting in the development of a new power system, with new energy as the primary source. Taking local policies, grid access conditions, regional energy load, and operational safety into account, it will strategically advance and seize opportunities for energy storage projects in key areas in a timely manner; At the same time, the Company will intensify its research on various energy storage technologies, including vanadium flow batteries, lead-carbon batteries, compressed air energy storage, and flywheel energy storage, to enable the application of multiple energy storage scenarios.

In terms of hydrogen energy projects, the Company is actively expanding the hydrogen energy industry chain and striving to create a hub for hydrogen energy industry development. We consider hydrogen energy business as one of the important driving forces for diversified development, seeking to further extend the advantages of wind power resources to the hydrogen energy industry chain. The Company will also continue to play its role as the national research and development centre for hydrogen and renewable energy technologies. It will enhance the R&D of key technologies and equipment, the transformation of achievements and application demonstrations in renewable energy hydrogen production and hydrogen energy utilisation, while providing development plans for the green hydrogen industry.

Digitalization and Innovation Empower Low-carbon Business Development

During the reporting period, Suntien actively promoted digitalization, adopting a smart warehouse big data platform to integrate and manage data from wind farms and booster stations. Based on the needs of production and operation and maintenance, we rely on the smart warehouse big data platform to customize digital development scenarios for wind power production site personnel, thereby improving the efficiency of equipment health management and production efficiency enhancement management, reducing downtime caused by failures, and ensuring that the power generation capacity of equipment is fully utilized. At the same time, the Company is leveraging the application of new technologies to promote the transformation of achievements and technology application, driving the implementation of various technological transformation projects to increase project revenue and promote high-quality business development.

Climate Emergency Management

The Company attaches great importance to the impact of climate-related disasters and risks on its safe operation and daily operational management. In terms of supply assurance during the period of heavy snowfall and cold wave at the beginning of the year, flood prevention and control for long-distance natural gas pipelines in summer, energy supply assurance during peak summer demand, and flood protection for power facilities in mountainous areas, we have established comprehensive risk identification, hazard inspection, organizational coordination, and emergency management processes to ensure the stable operation of our electricity and gas business segments.

Additionally, we also conducted assessments of the hydrogeological conditions at the locations of natural gas facilities in mountainous areas. For certain high-risk projects, we employ engineering measures, such as building retaining walls and constructing concrete pipe trenches as protective measures, monitor pipeline structural safety risks, and enhance the prevention of risks such as landslides, debris flows, and riverbed erosion.



In Response to Landslides and Subsidence, a Pipeline Stress Monitoring System Was Installed in Chengde.

Mountainous natural gas pipelines face two major risks: complex geological changes and human activities. Therefore, the overall stress level of the pipeline is highly susceptible to climate-related disasters, which can cause the pipeline to exceed its ultimate bearing capacity, leading to deformation, fracture, and failure, resulting in casualties, damage to structures, and other property losses.

Therefore, Suntien applies pipeline stress monitoring and testing technologies in Chengde to mitigate sudden or abnormal loads caused by climate, geology, and other factors during the long-term operation of pipelines. This aims to mitigate pipeline structural safety risks, meet the requirements of pipeline emergency rescue, repair, and safety upgrade management, and further achieve refined management and precise control of pipelines.



Overall Settlement and Stress Monitoring Points of the Project

Annual Performance



Wind Power

New wind power consolidated capacity reached **322.1** MW; Annual electricity generation by controlled wind farms reached **13.908** billion kWh. Newly approved wind power capacity was **3,780.18** MW, with a cumulative effective approved project capacity yet to be commissioned of **4,309.93** MW.



Natural Gas

108.74 kilometers of natural gas pipelines were added, bringing the total operational pipeline length to **9,850.31** kilometers; Total transmission/sales volume of the natural gas business was **5.888** billion cubic meters, of which the sales volume was **5.158** billion cubic meters.



Photovoltaic

Newly added photovoltaic management installed capacity: **243.07** megawatts; total controlled installed capacity: **369.19** megawatts; cumulative managed installed capacity: **539.19** megawatts; photovoltaic controlled projects under construction capacity: **168.93** megawatts.



Green power

The power generation from green electricity was **14.122** billion kWh.



Green certificates

In a market environment where the supply of green certificates far exceeds demand, the Company has formulated reasonable strategies and actively engaged in marketing. In 2024, the Company issued a total of **766,700** green certificates and sold **717,300**, with a transaction rate of **93.55** % and an average price of RMB **5.61** per certificate; **550,000** green certificates accumulated in 2023 were sold at a unit price of RMB **2.13** per certificate, with a cumulative sales of **1,267,300** certificates in 2024.

Greenhouse Gas Emissions	Unit	2022	2023	2024
Scope 1	tCO ₂ e	2,304.77	2,107.21	7,089.61
Scope 2	tCO ₂ e	17,899.85	32,784.45	56,919.98
Total GHG Emission	tCO ₂ e	20,204.62	34,891.66	63,952.22

03

PROMOTING GREEN OPERATIONS

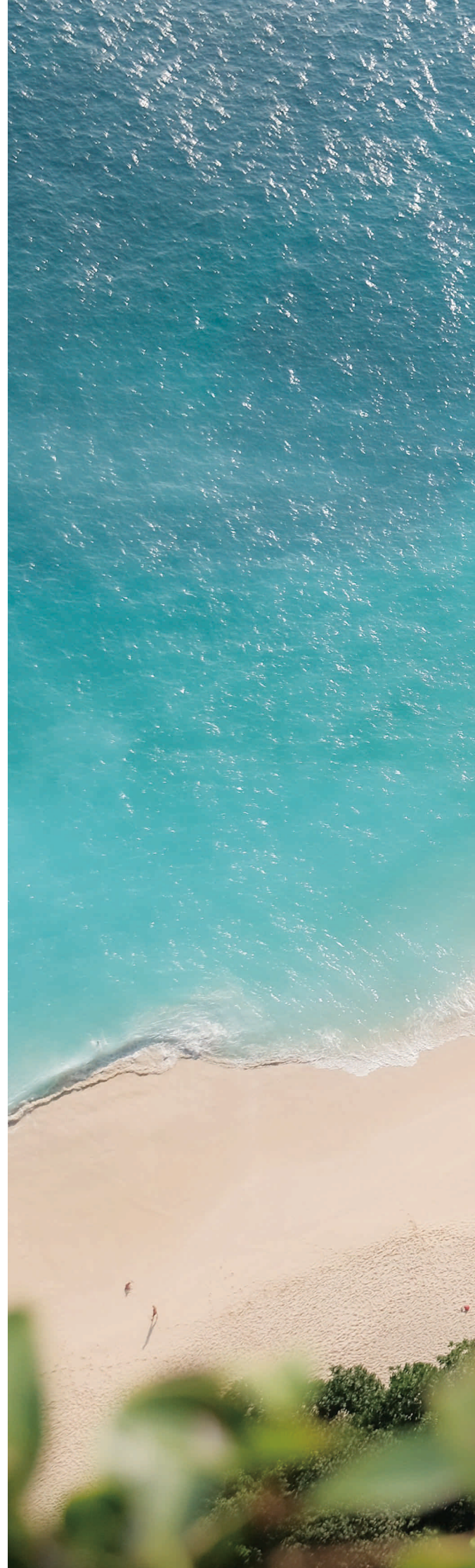
Suntien has always adhered to the guidance of the scientific outlook on development, upheld the concept of sustainable development, firmly established the philosophy of ecological priority and green development, and earnestly fulfilled its responsibilities for ecological and environmental protection. During the Reporting Period, the Company integrated green development into all aspects of its operations, optimized energy and resource utilization, strengthened waste management, protected biodiversity, and enhanced the environmental awareness of all employees through promotion and education. At the same time, we actively promoted the development and construction of projects in the two major business segments of new energy and clean energy, striving to achieve a win-win situation in terms of economic and ecological benefits.

SDGs covered in this chapter



Material issues covered in this chapter

- Addressing climate change
- Carbon emission reduction
- Clean energy development opportunities
- Biodiversity and land use





Environmental Management

Environmental Management System

Suntien fully implements the requirements of the Environmental Protection Law of the People's Republic of China, establishing an environmental governance system that covers the Environmental Protection Management Manual and other regulations. We adopt a life-cycle management approach to deeply integrate the concept of sustainable development into all aspects of project investment, construction, and operation. During the reporting period, the Company continuously strengthened its environmental management practices through project supervision, technological innovation to reduce energy consumption, promoting green work practices, and organizing environmental protection projects.

The Company has deeply integrated ecological and environmental efforts into its annual work plan, establishing a comprehensive responsibility system. The Company has signed annual energy conservation and environmental protection target responsibility letters with its headquarters and entities within the system. We strictly supervise each management unit in accordance with the provisions of the responsibility letters to ensure the implementation of the targets set in the letters, thereby effectively promoting the orderly development of ecological and environmental management.

In 2024, Suntien conducted internal audits of the HSE management system in 12 management units within the system, focusing on over 10 special supervision and inspection tasks, including environmental risk identification, ecological environment protection, and compliance with pollutant discharge regulations. We issued notices for rectification of the identified hazards, effectively improving the Company's management level.

During the Reporting Period, Suntien and its affiliated businesses within its system did not experience any general or higher-level environmental emergencies, and there were no cases of administrative penalties imposed for environmental issues. In 2024, the Company's total investment in environmental protection amounted to RMB23.5763 million.

Green Office

Suntien follows the concept of low-carbon development and advocates for green office practices. The Company has adopted a series of green office practices to reduce carbon emissions from office operations, contributing to a cleaner and healthier work and social environment.

Suntien's Green Office Initiatives

- ◆ **Paperless Office**: Implementing electronic documents and emails for document transmission and approval processes, reducing reliance on paper. Enabling duplex printing mode by default in printer settings, effectively reducing paper usage and waste.
- ◆ **Signage**: Posting water and energy conservation signs in water rooms, sinks, and office areas to create a positive atmosphere for resource conservation.
- ◆ **Efficient Equipment**: Selecting energy-efficient computers, printers, and other office equipment during procurement and strengthening the maintenance and management of lighting and air conditioning systems to reduce energy consumption.
- ◆ **Power Saving Reminders**: Encouraging employees to turn off electrical equipment when leaving the office, set reasonable air conditioning temperatures, and take other measures to further conserve energy.
- ◆ **Waste Sorting**: Strictly adhering to waste sorting regulations, labeling waste bins accordingly, and promoting resource recycling and environmental protection.

Environmental Protection Education and Promotion

During the reporting period, under the proactive leadership of the Company, we thoroughly implemented Xi Jinping's Thought on Ecological Civilization, earnestly practiced the concept of ecological civilization, and promoted green culture.

Focusing on the themes of "Green Transformation and Energy Conservation Breakthrough" and "Green, Low-carbon, and a Beautiful China," Suntien actively organized employees to study "Frontier Dynamics of the Group's Green, Low-Carbon, and New Quality Development" through both online and offline channels. Key interpretations were provided on green and low-carbon development policies, carbon peaking, carbon neutrality, and energy conservation and emission reduction, conveying the new requirements for building a Beautiful China to all employees. A total of approximately 698 banners and posters were produced for the campaign, and 5,896 brochures and leaflets were distributed, directly reaching over 20,000 people.



World Environment Day Event

To enhance employees' awareness of ecological environmental protection, the Company organized a series of diverse and engaging environmental protection themed event during World Environment Day on June 5th. During the event, the Company extensively promoted environmental protection concepts through various channels, including printing World Environment Day themed posters, playing environmental protection promotional videos, using electronic screens to display slogans, and disseminating environmental notices and relevant documents through WeChat work groups. These initiatives aimed to popularize environmental knowledge through multiple channels and disseminate key concepts such as "planning development from the perspective of harmonious coexistence between humanity and nature," "promoting ecological civilization construction in all aspects, regions, and processes," "adhering to integrated protection and systematic governance of mountains, rivers, forests, farmlands, lakes, grasslands, and deserts," and "stimulating the endogenous motivation of the whole society to jointly care for the ecological environment." By instilling environmental awareness in everyone's minds, we strive to encourage the entire workforce to actively participate in ecological civilization construction.



World Environment Day event poster



Learning from Lei Feng Themed Campaign "Let's Go to the Riverside and Protect Our Mother River"

From May 21st to June 5th, Hebei Natural Gas simultaneously carried out the Learning from Lei Feng themed campaign "Let's Go to the Riverside and Protect Our Mother River" across different regions. Volunteers, wearing red vests, assessed the river's ecological environment from five dimensions: water quality, water flow, riparian environment, biodiversity, and human activities. They used their mobile phones to record the river's condition in real-time and completed online evaluations. During the campaign, the volunteers also cleaned up debris and garbage along the riverbanks and promoted environmental protection knowledge to surrounding communities, encouraging public participation in ecological conservation.

This activity covered multiple rivers within the province, including the Minxin River in Shijiazhuang and tributaries of the Dasha River, attracting a total of 90 participants and collecting over 50 bags of garbage. Through their actions, the volunteers not only improved the river environment but also educated nearby residents on specific methods for protecting the ecosystem, encouraging everyone to cherish their shared environment and contribute to building a beautiful homeland.



Learning from Lei Feng themed campaign "Let's Go to the Riverside and Protect Our Mother River"

Energy and Resource Utilization

Suntien consistently prioritizes the optimization of resource utilization as a crucial aspect of achieving sustainable development. We strictly adhere to the Energy Conservation Law of the People's Republic of China, the Renewable Energy Law of the People's Republic of China, the Water Law of the People's Republic of China, and other relevant laws and regulations. We strive to continuously improve resource utilization by optimizing resource allocation within the Company.

Energy Management

Suntien consistently upholds the concept of green development and comprehensively promotes energy conservation and efficiency enhancement through the dual drivers of technological innovation and management optimization. Focusing on efficient waste heat utilization, equipment upgrades, and refined maintenance, the Company actively explores pathways for the efficient utilization of energy resources. We have significantly improved energy efficiency, laying a solid foundation for sustainable development.

Suntien's Energy Conservation and Efficiency Enhancement Initiatives

◆ Equipment Upgrades

Suntien actively responds to national policies and carries out the "Prioritize Large, Phase Out Small" initiative for wind turbine equipment. By replacing the original lower-capacity equipment with larger and more efficient wind turbines, the Company has not only enhanced overall equipment efficiency but also significantly improved the utilization of wind resources.

Hebei Natural Gas has thoroughly implemented the headquarters' directives, formulated the Energy Management Manual and the Environmental Protection Management Manual in accordance with its specific conditions, and comprehensively strengthened energy and resource consumption management through these systems. Through specific measures such as promoting standardized construction and setting annual emission reduction targets, the Company is implementing resource management requirements, continuously improving energy utilization efficiency, and promoting green and low-carbon development.

◆ Implementing Standardized Requirements

Hebei Natural Gas strictly adheres to internal regulations and standardized equipment operating procedures to prevent equipment leakage and waste, improve equipment resource utilization, and prolong equipment service life. By the end of December, 99.97% of the Company's equipment in use was in good condition, and 100% of the spare equipment was in good condition.

● Setting Emission-Reduction Goals

In 2024, the annual target value for Hebei Natural Gas's comprehensive energy consumption per RMB10,000 of added value was set at 26.14kg of standard coal. As of the end of December, Hebei Natural Gas's comprehensive energy consumption per RMB10,000 of added value had reached 19.05kg of standard coal, successfully achieving the annual energy-saving and emission-reduction target.

Energy Type	Unit	2022	2023	2024
Purchased Electricity	kWh	31,386,726	54,718,085.66	106,075,249.2
Petrol Fuel	litres	815,503	671,092.71	2,487,069 ¹
Diesel Fuel	litres	20,953	35,859.63	41,525.51
Natural Gas	m ³	190,261	216,008.51	472,860.8
Liquefied Petroleum Gas	m ³	5,689	9,458.30	9,410.12
Total GHG Emission	tonnes of CO ₂ equivalent	20,205	34,891.66	63,952.22
Energy Consumption per Revenue of RMB10,000	tonnes of standard coal/RMB10,000	0.0027	0.0040	0.0078
Total GHG Emission per Revenue of RMB10,000	tonnes of CO ₂ equivalent/RMB10,000	0.0109	0.0172	0.0299

Suntien's Energy Consumption from 2022 to 2024

Water Resource Management

We strictly adhere to local laws and standards, including the Water Pollution Prevention and Control Law of the People's Republic of China, the Marine Environmental Protection Law of the People's Republic of China, and the Action Plan for Water Pollution Prevention and Control, and carry out water resource management through a series of measures such as daily water consumption monitoring and recycling.

Daily Water Consumption Management Measures

- **Water Usage Inspection**: The Company regularly inspects water-using equipment and water source pipelines to ensure timely detection and handling of water leaks, drips, and overflows to prevent water waste.
- **Water Consumption Monitoring**: The Company records monthly water consumption data and investigates any abnormal fluctuations, taking appropriate measures to ensure rational water usage.

Sewage Treatment and Recycling

- **Caofeidian Suntien Liquefied Natural Gas**: Domestic sewage and boiler drainage are treated at the plant's sewage treatment plant and, after reaching the standards of the Quality of Reclaimed Water Used for Industrial Purposes (GB/T 19923-2005), are reused for greening and road sprinkling for dust suppression. Equipment maintenance and ground flushing water are treated at the oily wastewater treatment facility and further processed through the domestic sewage treatment device. After reaching the standards, the water is reused for greening and road sprinkling for dust suppression.
- **Hydrogen Energy Technology Development Center**: The center recycles demineralized water discharged from the demineralization system and saline wastewater discharged from the boiler softened water system during the daily production of the hydrogen production station, for use in the greening and irrigation of the plant area. Domestic sewage is treated by an integrated domestic sewage treatment device and reused for greening after reaching the standards.

¹Suntien continues to improve its data collection scope. This year, gasoline consumption from leased vehicles was included in the calculations, resulting in an increase in the figure values.

Waste Management

The Company strictly abides by the Law on the Prevention and Control of Environmental Pollution by Solid Wastes, the National List of Hazardous Wastes, the Atmospheric Pollution Prevention and Control Law of the People's Republic of China, and other laws and regulations, and is committed to achieving compliant waste treatment and sustainable resource utilization and reducing environmental risks. The Company adheres to the principles of "centralized management, priority reuse, and regular disposal", and has formulated internal regulations such as the Measures for the Disposal and Management of Production Waste Materials to ensure compliant management and reduce waste generation, thus effectively promoting the disposal of production waste materials.

Hazardous Waste Management

Hazardous waste generated by Suntien during operation includes used batteries, used components, and used oil. The Company has formulated a Hazardous Waste Disposal Plan and established a hazardous waste emergency response team, carrying out the recycling, collection, transportation, and storage processes in accordance with the hazardous waste emergency response plan to ensure compliance with national safety and environmental protection requirements.

The Company has set up a dedicated hazardous waste room for centralized temporary storage of hazardous waste generated during production and operation. Hazardous waste, such as used batteries and used components, is entrusted to specialized institutions for disposal, while waste oil generated during operation is 100% recycled and reused through the Company's own oil filter machines. In addition, third-party institutions are commissioned to carry out regular inspections. During the Reporting Period, the two hydrogen production stations under the jurisdiction of the Hydrogen Energy Technology Development Center completed the construction of temporary storage rooms for hazardous waste, establishing a safety and environmental protection management system for hazardous waste rooms, and carrying out classified, centralized, and effective management of "three wastes" to avoid environmental pollution.

Non-hazardous Waste Management

Suntien's non-hazardous waste mainly consists of construction waste, earthwork, packaging waste, and office waste. The Company carries out classified collection and management of all non-hazardous waste generated during its operations. Recyclable waste is recycled and reused to achieve cyclical use of resources and reduce waste discharge.

Environmental Impact Assessment and Emergency Management

Before obtaining internal approval, all Suntien projects need to entrust third-party professional institutions to prepare plans for specific items such as environmental impact assessment, geological disasters, mineral compression, and soil and water conservation, and obtain supporting documents issued by the government. Before the commencement of a project, a comprehensive assessment of its impact on the ecological environment, atmosphere, water, and acoustic environment is conducted. Environmental protection measures and response plans are formulated, and regular monitoring and rectification are carried out to control the environmental impact within an acceptable range.

In 2024, Hebei Natural Gas formulated the *Emergency Response Plan for Sudden Environmental Incidents of Hebei Natural Gas Co., Ltd.*, covering various sudden environmental incident scenarios such as hazardous waste leakage, odorant leakage, natural gas leakage, fire, and explosion, aiming to eliminate or minimize the pollution hazards and impacts of sudden environmental incidents. The Company regularly conducts emergency drills, summarizes experiences, and revises the plans to ensure comprehensive environmental safety and sustainable development.

Waste Type	Unit	2022	2023	2024
Non-Hazardous Waste	tonnes	18.67	278.31	49.41
Non-Hazardous Waste Intensity	tonnes/RMB10,000	0.00001006	0.0001372	0.00002312
Hazardous Solid Waste	tonnes	/	16.39	103.3
Waste Oil, Waste Liquid, and Waste Hydrocarbon	tonnes	/	43.64	45.63
Other Hazardous Waste	tonnes	/	1.10	39.90
Hazardous Waste Intensity	tonnes/RMB10,000	/	0.00003014	0.00008835

2022-2024 Volume and Intensity of Waste Handled by Suntien

Emission Type ²	Unit	2022	2023	2024
Total Sulphur Oxide Emission	kg	12.33	10.44	37.23
Total Nitrogen Oxide Emission	kg	6,007.48	5,314.12	14,191.81
Total Particulate Matter Emission	kg	575.63	509.19	1,360.38

2022-2024 Data on Suntien's Air Pollutant Emissions

² Suntien continuously improves its data collection scope. This year, the use of leased vehicles was included in the calculations, resulting in an increase in the figure values.

Biodiversity Conservation

Suntien strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Regulations on the Administration of Ecological Environmental Protection of Construction Projects*, establishing internal management norms such as the *Environmental Protection Management Manual*, the *Ecological Environmental Protection Management Manual of HECIC New Energy*, and the *Engineering Construction and Soil and Water Conservation Management Manual*. By doing so, we have built a complete and effective biodiversity conservation system, laying a solid institutional foundation for the Company's ecological and environmental protection practices.

To ensure the solid and orderly progress of ecological and environmental protection, the Company has specially set up a leading group for ecological and environmental protection, headed by the Company's president. At the same time, part-time environmental protection administrators are appointed in each management unit. This tiered implementation approach ensures the steady achievement of ecological environment control and management goals.

Actively studying and implementing the guidelines and policies on ecological environmental protection as well as relevant laws and regulations;

Studying and validating the development and implementation of the Company's ecological environmental protection management system and related regulations;



Biodiversity Management throughout the Project Lifecycle

Before the construction and operation of projects, Suntien strictly follows the *Law of the People's Republic of China on Environmental Impact Assessment* and internal system requirements to conduct environmental impact assessments, with a particular focus on biodiversity-related assessments. Based on the assessment results, we formulate a biodiversity conservation response plan that encompasses the entire project lifecycle, including pre-construction, mid-term construction, and post-construction phases. This comprehensive plan aims to accurately identify and address potential ecological and environmental risks associated with the projects. By doing so, Suntien strives to achieve the harmonious coexistence of human beings and nature.



Biodiversity Management throughout the Lifecycle of Weichang 200MW Photovoltaic Energy Storage Demonstration Project

Suntien's Weichang 200MW Photovoltaic Energy Storage Demonstration Project is located in Datoushan Township and Nanshanzui Township, Weichang Manchu and Mongolian Autonomous County. Before the project launch, the Company conducted a comprehensive environmental impact assessment, including biodiversity. The assessment results indicated that although the project construction would damage some vegetation in the site area and reduce the vegetation coverage, there are no rare species among the natural vegetation and wild animals within the project area. We take a series of effective measures during the entire project construction cycle, including before, during, and after construction, to minimize the ecological impact on the project location.

Before construction: The topsoil of temporary occupied land such as temporary roads and material stacking areas is stripped and collected, and stored centrally to prevent soil erosion and nutrient loss.

After construction: Land remediation is carried out immediately, and the collected topsoil is evenly backfilled to the bare ground, creating favorable soil conditions for vegetation restoration. During the vegetation restoration process, grass seeds and saplings adapted to the local environment are selected for sowing and planting, gradually restoring vegetation coverage and ecological functions, and ensuring the sustainable development of the regional ecosystem.



04

STABLE ENERGY SUPPLY

Suntien prioritizes safety and energy security as fundamental to its development. The company continuously enhances gas supply infrastructure and optimizes pipeline connectivity to strengthen supply reliability. Through specialized winter supply management, a multi-source coordination mechanism, and emergency response plans, we ensure stable gas delivery during peak demand seasons. While reinforcing safety measures, we also cultivate a strong safety culture and improve occupational health protections, achieving both safe operations and stable supply. This commitment provides a solid energy foundation for economic growth and public well-being.

SDGs covered in this chapter



Material issues covered in this chapter

- Stable energy supply
- Compliance management
- Supply chain management
- Occupational safety and health
- Risk prevention and control
- Addressing climate change
- Customer service
- Customer privacy protection
- Community relations





Safety Management and Guarantee

The Company strictly complies with relevant national laws and regulations, such as the *Work Safety Law of the People's Republic of China*, the *Environmental Protection Law of the People's Republic of China*, and the *Law of the People's Republic of China on Prevention and Treatment of Occupational Diseases*, to ensure comprehensive compliance in work safety, environmental protection, and occupational health. Building upon this, the Company has formulated a comprehensive set of rules and regulations applicable to the entire Company, including the *Guarantee Measures for Work Safety Investment*, the *Work Safety Responsibility System*, the *Management Measures for Work Safety Education, Training and Assessment*, and the *Reward and Punishment Measures for Work Safety*, as well as documents related to HSE systems, to establish a systematic safety management system. From financial guarantees and responsibility implementation to education and training and reward and punishment mechanisms, the system comprehensively ensures the effective implementation of work safety, laying a solid foundation for the Company's stable operation and sustainable development.

Indicators	Unit	2022	2023	2024
Investment in work safety	RMB10,000	6,371.61	17,901.32	11,407.47
Safety Incidents	case	1	0	0
Work-Related Employee Fatalities	person	1	0	0
Work Days Lost Due to Work-Related Injuries	day	0	118	0

Suntien's Work Safety Performance

Construction of Safety Management System

The Company's Work Safety Committee is the highest decision-making body for HSE management, chaired by the Company's president and composed of responsible persons in charge and heads of functional departments. Its primary responsibilities include reviewing major work safety matters of the Company and supervising and inspecting the daily work safety of various business sectors. The Work Safety Committee holds quarterly meetings to summarize the achievements related to work safety in the quarter and put forward requirements for key work safety tasks in the next quarter. It also disseminates knowledge about work safety and enhances work safety awareness. In 2024, the Work Safety Committee convened four work safety meetings, actively promoting work safety construction in various business sectors and further enhancing the Company's work safety level.

Department	Duties
 <p>Work Safety Committee</p>	<ul style="list-style-type: none"> ◇ Responsible for approving HSE targets, control indicators, and their work plans. ◇ Evaluates HSE management strategies for significant risks and key environmental elements. ◇ Develops and enforces a comprehensive HSE accountability system and performance assessments, focusing on enhancing work safety standards and fostering a safety culture. ◇ Leads the creation and implementation of the Company's emergency response plans for HSE incidents. ◇ Organizes work safety meetings to identify, scrutinize, and resolve critical work safety issues.
 <p>Work Safety Committee Office/HSE Department</p>	<ul style="list-style-type: none"> ◇ Coordinates the development of HSE goals and control metrics, along with their plans; reviews strategies for managing significant risks and key environmental elements. ◇ Oversees the completion of departmental objectives, benchmarks, and the application of management strategies. Evaluates HSE goals and benchmarks regularly to prevent and correct deviations with appropriate actions. ◇ Organizes or contributes to work safety education and training programs, ensuring accurate documentation of these activities. ◇ Establishing a two-pronged safety strategy that involves managing risks by their severity and rigorously identifying and addressing hazards. This strategy ensures thorough risk assessment and the implementation of control measures, alongside managing the safety of significant hazards. ◇ Oversees the Company's work safety, recommends improvements to safety management, and encourages the timely resolution of potential safety hazards.
 <p>Each department</p>	<ul style="list-style-type: none"> ◇ Breaks down the Company's HSE goals and indicators at each level. ◇ Formulates and implements management plans for significant risk factors and key environmental elements within the department. Establishes safety responsibilities for departmental positions and fulfills departmental HSE assessment indicators.

HSE Management Responsibilities at Suntien for each level in 2024

Key performances



Added

99 new HSE systems

Revised and improved

107 existing HSE systems

Suntien adheres to the principle of "safety first, prevention foremost, and comprehensive management" and integrates safety management into the corporate strategic planning and daily operations. In 2024, with strengthening the operation of the HSE management system as the overarching principle, Suntien implemented a series of measures to ensure the effective implementation of work safety responsibilities and promote the continuous optimization of the management system.

Signing work safety and energy conservation and environmental protection target management responsibility letters: The Company signed the 2024 work safety and energy conservation and environmental protection target management responsibility letters with over 40 responsible persons from various departments and management units, clarifying the HSE targets of each unit to ensure the effective implementation of the all-staff responsibility system. This measure effectively prevented various work safety and environmental protection incidents, ensuring the achievement of the overall HSE targets of the Company.

Summarizing and evaluating HSE internal audits and updating and iterating HSE system documents: Based on the internal audit evaluation and cross-audit of the management system, the Company guided enterprises under the Company to continuously update and iterate HSE system documents. In this year, a total of 99 new HSE systems were added and 107 existing HSE systems were revised and improved in the enterprises under the Company to ensure that the HSE management system documents comply with the requirements of laws, regulations, and standards.

Establishing a cross-audit team and conducting annual HSE system internal audit: The Company selected 21 HSE auditors from the enterprises under the Company to form a cross-audit team, which conducted annual HSE internal audits on 12 management units. During the internal audits, a total of 132 hazards were discovered, and rectification notices have been issued for all of them. Supervision and rectification have been carried out for the problems identified during the audit. The internal audits have not only promoted the continuous and effective operation of the management system, but also provided a platform for mutual communication among various management units.

Building a digital system to achieve full-process management of safety operations: The Company also attaches great importance to the application of advanced information and intelligent technologies in its operations. To achieve digital management of all elements of enterprise work safety, a multi-level and networked intelligent safety management system has been established. The system integrates multiple modules, including risk hierarchical control, hazard investigation and management, safety education, training and assessment, fire facilities management, hazardous operation safety management, and labor protection supplies. It also adds new functions such as risk and hazard distribution heat maps, safety data visualization analysis, instant hazard reporting, and safety responsibility fulfillment model, integrating intelligent information technology with daily safety management. Currently, the system has been fully put into use, basically realizing full-process management of safety operations and comprehensively improving the efficiency and management level of the Company's work safety.

Safety Management of Contractors

Suntien attaches great importance to contractor safety management and has established a contractor safety management process covering the entire lifecycle of the supply chain in accordance with institutional documents such as the *Project Construction Safety Management Measures*, the *Project Construction Suppliers Management Measures*, and the *Measures for the Handling of Poor Behavior by Project Suppliers*. This process covers all aspects from risk assessment and safety planning in the early stage of the project, to safety supervision and hazard investigation during the construction process, and to safety summary and feedback after the project completion, forming a complete closed-loop management chain.

01 Contractor Admission

- **Pre-admission inspection:** Conduct on-site inspections of contractors before admission, focusing on evaluating their safety management systems, equipment and facility integrity, and personnel qualifications.
- **Admission procedures:** The contractor admission process is implemented according to the procedures of "application - preliminary review - inspection - admission." After passing the preliminary review, an on-site inspection is conducted, and an admission report is completed. Qualified contractors are included in the list.
- **Signing agreements:** Sign agreements such as the *Environmental, Health, and Safety Standards Addendum* with admitted contractors. Clarify the rights and obligations of both parties in safety work.

02 Preparation before the contractor commences work

- **Attending coordination meetings:** Participate in pre-operation coordination meetings for the project to clarify environmental and safety requirements.
- **Preparing management documents:** Prepare documents such as *Construction Organization Design*, *Construction Plan*, *HSE Plan*, *HSE Work Instruction*, and *HSE Inspection Checklist*.
- **Employee training:** Organize employees to learn HSE management regulations and conduct pre-operation HSE education.
- **Signing responsibility letters:** Sign HSE responsibility letters to clarify the HSE responsibilities of contractors.
- **Familiarizing with policy requirements:** Understand the Company's HSE management system policies and be familiar with the requirements for safety inspections and equipment maintenance.
- **Equipment and facility provision:** Provide safety and environmental protection equipment and facilities that meet on-site requirements.

03 Contractor Construction Operations

- **Key controls:** Strictly control key processes and links, implementing the Regulations on Safety Management of Project Contractors.
- **Inspection and rectification:** Conduct regular safety inspections at the site, especially at key points, and promptly rectify any problems found. Project departments supervise re-inspections.
- **Coordination and communication:** Project departments establishes a coordination mechanism with contractors to provide timely feedback on problems and negotiate solutions.
- **Progress reporting:** Contractors regularly report on the progress of the project, HSE status, and next steps.
- **Emergency plans and drills:** Develop *Emergency Response Plans* and conduct emergency drills regularly.
- **Accident reporting:** Contractors report on-site accidents and near-miss events, and cooperate with investigations and handling.

Contractor Safety Management Workflow

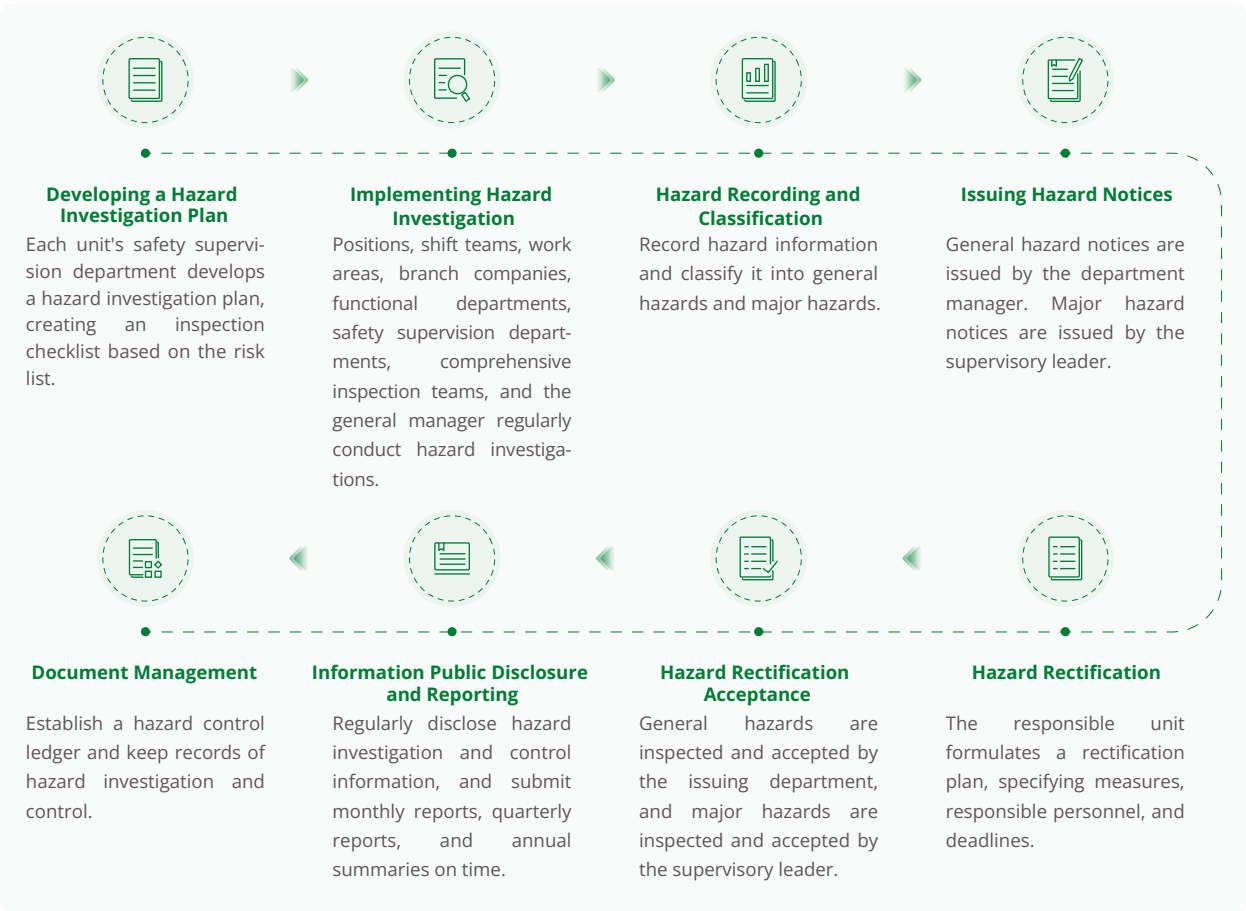
In terms of capacity building, the Company focuses on communication and cooperation with suppliers. Through training, seminars, and study tours, the Company enhances their management capabilities and technical expertise. These exchange activities not only contribute to the development of suppliers but also lay a solid foundation for long-term cooperation between the Company and suppliers.

Hazard Investigation and Emergency Drills

Hazard investigation and emergency drills are two key aspects of ensuring safety work and responding to emergencies. Suntien has established a comprehensive system for identifying and addressing potential safety hazards, along with a robust emergency drill program, ensuring the timely detection and elimination of risks while enhancing the Company's ability to respond to emergencies. Across all units within the Company, comprehensive safety hazard investigations are conducted through routine checks, specialized inspections, and cross-audits. Any identified hazards are addressed and rectified according to the "five determinations" requirements. Furthermore, the practicality and effectiveness of emergency response plans are tested through regular tabletop exercises and field drills, disseminating knowledge about emergency rescue procedures and enhancing the response capabilities of rescue personnel.

Hazard Investigation

Suntien has established a long-term mechanism for hazard investigation and control, ensuring the normalization and standardization of these processes based on documents like the *Measures for the Management of Hazard Investigation and Control* and the *Mechanism for Regular Hazard Investigation and Control of Project Construction*. All subsidiaries conduct hazard investigation and control in accordance with the headquarters' requirements and their specific circumstances. This involves creating documents such as the *Accident Hazard Investigation List* and the *Hazard Control Information Ledger*, which are used in daily hazard investigation. In 2024, a total of 2,010 hazards were identified through hazard investigations. This included 963 equipment and facility related hazards, 531 safety management hazards, 308 workplace environment hazards, and 142 personnel related hazards. 1,956 hazards have been rectified, achieving a rectification completion rate of 97.31%. The remaining 54 hazards are being rectified according to schedule, strictly adhering to the "five determinations" requirements.



Safety Hazard Investigation Workflow

Key performances



In 2024

The Company completed a total of

68 revisionsImprovements to emergency plans,
conducted a total of**783** tabletop and field drills

with over

7,200 participants

Emergency Drill

Emergency drills are an important means of improving a company's ability to respond to emergencies. Suntien regularly conducts tabletop exercises and field drills to test the practicality and effectiveness of emergency response plans, disseminate knowledge about emergency rescue procedures and enhance the response capabilities of rescue personnel. Through drills, various units within the Company have further improved their emergency response systems, providing a strong guarantee for responding to emergencies.

Case
Study

Special Long-Distance Pipeline Emergency Response Drill

On 13 November, 2024, Hebei Natural Gas conducted a special long-distance pipeline emergency response drill, simulating a leakage caused by a ruptured weld on the Zhuozhou-Yongqing pipeline due to geological changes. During the drill, the Company focused on examining the performance of each emergency response team after the plan was activated, including aspects such as on-site control, public evacuation guidance, emergency sales response and market coordination, emergency supplies allocation and repair. This drill comprehensively tested the completeness and feasibility of the emergency response plan, significantly improved the efficiency of emergency command and emergency handling, and enhanced the rapid response and coordinated collaboration capabilities of each team. Suggestions for improvement raised during the drill, such as developing a special handling plan for gas release and strengthening the coordination and linkage between sales and customer service, have been incorporated into the follow-up improvement plan to ensure the continuous optimization of the emergency response system.



Special Long-Distance Pipeline Emergency Response Drill



The HECIC New Energy Released a Compilation of Guidance Measures to Enhance Extreme Weather Response Capabilities

In 2024, the HECIC New Energy organized a special training seminar on extreme weather response to comprehensively enhance its capabilities in preventing and responding to extreme weather risks. The seminar invited experts in the fields of meteorological disasters and geological disasters, who conducted an in-depth analysis of climate change trends and their potential risks. Combining the actual production and regional characteristics of the enterprises under the Company, they developed preventive and response measures for nine extreme weather conditions, including heavy rainfall, lightning, and strong winds, covering both major business segments. Based on the seminar's findings, the Company compiled and distributed the *Compilation of Guidance Measures for Extreme Weather Response*, providing scientific and practical operational guidelines for each enterprise. In the future, the Company will continue to summarize and refine practical experience in responding to extreme weather, further promote effective practices, continuously enhance the risk prevention and emergency response capabilities of the enterprises under the Company, and solidly carry out preventive and response work for extreme weather.



Extreme Weather Response Training Seminar



Key performances



Case Studies

A total of

20

learning sessions were conducted

840

sessions completed by the enterprises under the Company, enhancing safety awareness among all employees

Registered Safety Engineer Training

160 participants

With a total learning duration of

18,000 hours

Resulting in the development of

58 registered safety engineers over three years

Safety Qualification Certificate Training

24 enterprises

With 148

individuals completing the training

Achieving a 100% pass rate

Regulation Awareness

Over

140

individuals participated in studying the *Hebei Province Work Safety Regulations*

Safety Culture Development

Suntien places great emphasis on safety culture development, fostering a positive atmosphere where "safety awareness is a shared responsibility" through various approaches, enhancing employees' safety awareness and behavioral habits, and ensuring that work safety is deeply ingrained. The Company continuously enriches the essence of its safety culture by organizing activities such as "Work Safety Month," conducting safety training, and holding safety knowledge competitions. These efforts enhance employees' passion and initiative in participating in safety management, providing solid cultural support for the Company's stable operation.



Confined Space Work Safety Warning and Educational Activity

On 11 March, 2024, Suntien successfully held a safety warning and education activity with the theme of "Strengthening Confined Space Work Safety Management." The activity was presided over by Tan Jianxin, the Company's Party Secretary and President, with the participation of the leadership team, directors, and management personnel from headquarters in a collective learning session.

During the activity, participants watched a safety warning and education video on confined space operations, delving into the analysis of several typical accident cases, examining the causes in detail, and exploring corresponding preventive measures. The seminar urged all enterprises within the system to diligently study the content of the special video, further strengthen control measures for confined space operations, increase the intensity of hazard investigation, and incorporate special inspections for confined space operation safety into the daily safety inspection checklist. These steps aim to effectively enhance hazard investigation and rectification capabilities, ensuring the sustained stability of work safety.



Confined Space Work Safety Warning and Education Activity



Suntien Holds 100-Day Safety Knowledge Quiz

During the "Work Safety Month" in 2024, Suntien successfully organized a 100-day safety knowledge quiz, promoting the theme of "Everyone Talks Safety, Everyone Can Handle Emergencies - Clearing the Path for Life." Suntien actively explored safety education and training methods that are easily accepted and enjoyable for employees. The Company transformed boring work safety laws, regulations, standards, safety management systems, and basic safety knowledge into an engaging question-and-answer format. By conducting the quiz continuously for 100 days, Suntien cultivated a strong safety culture atmosphere, continuously enhancing safety knowledge and awareness among all employees.

Units across the company system actively participated, forming six quiz teams from headquarters, first-level management units, and five key management units. A total of over 2,580 people participated, achieving a participation rate of 96%, with a cumulative total of over 232,000 participations. Through this campaign, employees significantly enhanced their safety knowledge, gradually developed safe work habits, and demonstrated a remarkable increase in active participation in safety activities, contributing to the sustained stability of work safety throughout the Company system.



Hebei Natural Gas successfully held the Safety Workshop in 2024

During the "Work Safety Month" in 2024, Hebei Natural Gas successfully held a safety workshop, closely adhering to the theme of "Everyone Talks Safety, Everyone Can Handle Emergencies - Clearing the Path for Life." The event invited senior company leaders, safety experts, and external lecturers to conduct systematic training and in-depth discussions on key topics such as the *Criteria for Identifying Major Accident Hazards*, the *Hebei Province Work Safety Regulations*, confined space operation safety, and shift team safety management. The workshop also screened safety cautionary educational videos to further reinforce employees' safety awareness.

This workshop provided an efficient learning and exchange platform for various subsidiaries, attracting the active participation of over 60 safety management personnel. Participants engaged in experience sharing and interactive discussions, learning from each other's strengths and addressing areas for improvement. After the event, the awareness of safety responsibility across all units significantly increased. The capability to identify and rectify hazards, along with the overall management level of work safety, were comprehensively enhanced, providing a solid foundation for the stable operation of work safety within the Company.



Safety Workshop Site

Occupational Health and Safety

Suntien strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, and has formulated the *Measures for Occupational Health Management* and other relevant documents, requiring each business unit to conduct occupational disease prevention and treatment based on its actual circumstances. Occupational health is also included as a topic in the routine HSE audits. These measures ensure a healthy and safe working environment for employees, effectively safeguarding their health rights and interests.



Occupational Health Management Process



Hebei Natural Gas Conducts the "Fall Protection System Training and Confined Space Rescue Experience" Activity

In 2024, Hebei Natural Gas invited external experts to hold a "Fall Protection System Training and Confined Space Rescue Experience" activity, which attracted over 40 safety management personnel to participate. Through a fall protection demonstration vehicle, the event delivered fundamental training on safety harness usage and performed practical exercises such as confined space work protection, escape and rescue demonstrations, and fall impact tests. In addition, a complete set of fall protection products and solutions were displayed on site, combined with interactive sessions such as touchscreen "error correction games" and VR experiences, to enhance participants' safety awareness in various forms and effectively prevent occupational health hazards.



"Fall Protection System Training and Confined Space Rescue Experience" activity

Energy Supply Security

In terms of energy supply security, Suntien always upholds a high sense of responsibility, actively responds to various challenges, and ensures the stability and reliability of energy supply. The Company fully guarantees energy supply through refined management and technological innovation, providing solid support for social and economic development and residents' lives.

Continuous Construction of Gas Supply Capacity

In 2024, Hebei Natural Gas continued to promote the construction of projects such as the fourth phase of the Central Hebei Pipeline Network and the Qinhuangdao-Fengnan coastal gas transmission pipeline. Through the interconnection of infrastructure, the load shifting and supply guarantee capacity of natural gas in the Beijing-Tianjin-Hebei region was effectively enhanced, and the energy security shield was consolidated with a solid foundation.

Caofeidian Suntien Liquefied Natural Gas continues to leverage the energy supply guarantee role of the Tangshan LNG project and its outbound pipeline, ensuring a stable natural gas supply for Hebei Province and the surrounding Beijing-Tianjin-Hebei region through efficient LNG inbound and outbound transportation. This effort also supports the gas usage plan of Xiong'an New Area while enhancing emergency response and load shifting capabilities.

Items	Project Overview	2024 Progress
Fourth Phase of Jizhong Pipeline Project	The project is designed to transport 492 million m ³ /a of gas, with a total length of 100.7km and a design pressure of 6.3MPa, at a total investment of RMB435 million.	86.112km of pipeline welding completed, with a total investment of RMB407 million
Qinhuangdao-Fengnan Coastal Gas Pipeline Project	The project is designed to transport 3.846 billion m ³ /a of gas, with a total length of 189.5km and a design pressure of 10MPa, at a total investment of RMB1.807 billion	177.7km of pipeline welding completed, with a total investment of RMB1.753 billion
Connecting Line Project between E'an Cang and Jinghan Line in Southern Baoding	The project's pipeline length is approximately 53.1km, with a diameter of 610mm, a design pressure of 6.3MPa, an annual design gas transmission capacity of 1.6 billion cubic meters, and a total investment of RMB421 million.	45.62km of pipeline welding completed, with a total investment of RMB331 million.
Luquan-Jingxing Gas Pipeline Project	The pipeline length of this project is 34.86km, passing through Luquan District, Pingshan County, and Jingxing County. The design pressure is 6.3MPa, the diameter is 508mm, and the total investment of the project is RMB237 million.	24.06km of pipeline welding completed, with a total investment of RMB230 million.
Tangshan LNG Project and Outbound Pipeline Project	The project is located in Caofeidian District, Tangshan City, Hebei Province, with a total investment of RMB34.76 billion. The project will be constructed in three phases. With a designed unloading capacity of 12 million tons per year, the plan includes building 20 new LNG storage tanks with a capacity of 200,000 cubic meters each, and two berths. The outbound pipeline has a total length of 270 kilometers, a diameter of 1,422 millimeters, a design pressure of 10 MPa, an annual gas transmission capacity of 11.2 billion cubic meters, and a maximum daily gas transmission capacity of 160 million cubic meters.	The first phase of the second-stage project, which includes four 200,000-cubic-meter LNG storage tanks, was successfully put into operation, bringing the total number of storage tanks at the receiving station to eight. This has significantly enhanced the receiving and storage capacity of natural gas, and the remaining works are progressing in an orderly manner.

Suntien's Gas Supply Projects in 2024

Winter Supply Guarantee Management

The Company attaches great importance to the production and operation management of winter gas supply, setting up a leading group for winter gas supply, holding special dispatch meetings for winter gas supply before and after the heating season, formulating the *Winter Natural Gas Supply Guarantee Plan*, and taking a series of measures to strengthen the guarantee and dispatch of natural gas resources during the winter gas supply period, thereby enhancing the overall emergency response capacity.

In 2024, the Company made significant achievements in ensuring gas supply at the beginning of the year, meeting peak summer demand and flood control, and preparing for the 2025 winter gas supply, demonstrating its professional capabilities and sense of responsibility in ensuring energy supply.



Preparation for Winter Gas Supply for 2024-2025

To ensure the smooth operation of the winter gas supply system, the Company completed 21 renovation tasks covering 10 subsidiaries and departments before the 2024-2025 winter gas supply season. These measures, focusing on equipment maintenance upgrades and operation management optimization, have significantly improved system efficiency, effectively guaranteed the security and stability of supply during peak gas consumption periods, and provided users with more efficient energy services.



Equipment maintenance

Complete equipment maintenance before winter to ensure stable and reliable operation during the winter.



Operation management

Subsidiaries monitor operating parameters and equipment conditions, arrange reasonable shifts, assign clear responsibilities, and strengthen production management during holidays.



Pipeline management

Strengthen pipeline inspections and third-party construction supervision to ensure pipeline safety.



Emergency plans

Improve the emergency plan for winter gas supply, organize emergency drills, and ensure rapid response and restoration of gas supply in case of emergencies.

Preparation Measures for Winter Gas Supply for 2024-2025

Quality Control and Customer Service

Key performances



Customer Satisfaction

The overall customer satisfaction

rate reached **98.49** %

including

98.03 % for on-site services

99.75 %

for hotline services

88.89 %

for online services

Complaint handling

In 2024

The Company received **93** complaints

Resolved **93** complaints

achieving a **100** %

resolution rate with an average

resolution time of **2** business days

Hazard rectification

The Company conducts regular safety inspections and hazard rectification to ensure a

100 % rectification rate

Quality Management System

Suntien is committed to providing continuous value to customers by optimizing its product quality management system and enhancing service efficiency. The Company strictly abides by relevant national laws and regulations, including the *Product Quality Law*, the *Standardization Law*, and the *Regulations on the Administration of Production Licenses for Industrial Products*. We have also formulated a series of internal management systems to ensure legal compliance throughout our operations.

Suntien has established a comprehensive quality control system to ensure that every stage, from production to service, meets high quality standards. The Company has developed a series of management manuals, procedural documents, and operational documents, such as the *Management Standard Manual for Wind Farm Construction* and the *Project Construction Safety Management Measures*, establishing comprehensive quality management procedures covering key aspects like production processes and equipment management. Furthermore, we have implemented a quality supervision and monitoring system, enhancing quality planning management to ensure the continuous stability of product quality. In 2024, the Company further strengthened safety management in construction projects and issued the *Mechanism for Regular Hazard Investigation and Control of Project Construction*, ensuring that every aspect, from production to service, meets high-quality standards.

Customer Service System

Suntien always prioritizes customers and is committed to improving service quality by enhancing the customer service system. In 2024, the Company revised the *Detailed Rules for the Classification and Rectification Management of Safety Hazards for Residential Users* and introduced a series of new systems and procedures, including *Detailed Rules for the Management of Gas Suspension and Resumption for Residential Users*, *Detailed Rules for Outsourcing On-site Customer Service*, *Detailed Rules for the Investigation and Handling of Abnormal Situations for Residential Users*, *Detailed Rules for the Management of Gas Risers for Residential Users*, *Detailed Rules for Performance Evaluation and Management of Outsourced On-site Customer Service Providers*, and *Detailed Rules for Outsourcing Customer Service Operations and Extended Services*, to ensure the efficient operation and continuous optimization of the customer service system.

The Company is committed to "resource development, cost reduction, and potential exploration" as its three core objectives and utilizes measures such as smart service construction, residential user safety management, and extended service promotion to maximize resource utilization and continuously improve customer service quality.

Suntien places high importance on user data and privacy protection and has implemented a series of measures to ensure user information security. The Company encrypts sensitive information and implements stringent access control requirements to resolutely prevent information leakage, tampering, destruction, sale, or unlawful provision to third parties. Through these measures, Suntien ensures the security and privacy of user data, providing a safe and reliable environment for users.

Suntien continuously enhances the professional expertise of its service team, striving to deliver efficient and superior service experiences to its customers. In 2024, the Company continued to strengthen training for its customer service team. Through systematic training programs and practical exercises, we optimized service processes and enhanced service efficiency and responsiveness.



Customer Service Workshop in 2024

From June 4 to 5, 2024, Hebei Natural Gas held its annual Customer Service Workshop in Shenzhou, attracting 81 senior managers and core members of the customer service team from various subsidiaries. The workshop focused on key topics such as residential user safety management, customer service system optimization, smart management of IoT meters, business expansion, and gas insurance promotion. Participants engaged in in-depth discussions and shared best practices from outstanding teams and individuals. Additionally, the workshop featured a dedicated discussion on "Public Opinion Risk Prevention and Control in Customer Service", as well as a site visit and exchange at the Shenzhou HECIC Customer Service Center.

Through multi-faceted training and exchanges, the workshop effectively enhanced the practical capabilities of the customer service team, enabling them to keep pace with the times, adapt to new social environments and customer needs, and continuously improve their overall service levels.



Customer Service Workshop

INDICATORS	UNIT	2022	2023	2024
Number of Complaints from Residential Customers	cases	75	63	176
Residential Customer Survey Results	%	99.73	98.83	98.02

Customer Complaints and Satisfaction Survey Results

Jointly Building Community Safety

Suntien prioritizes the safety of gas usage by its customers. The Company has formulated the *Detailed Rules for the Classification and Rectification Management of Safety Hazards for Residential Users* to implement a graded management system for potential hazards, ensuring a 100% rectification rate. Additionally, the Company implements the *Detailed Rules for the Management of Gas Suspension and Resumption for Residential Users* to standardize gas suspension, replacement, and restoration operations, ensuring operational safety. Furthermore, the Company enhances customer awareness of gas safety and strengthens safety precautions through community events and safety promotions.



Special Event for Winter Gas Safety Month

To further strengthen winter gas safety management and raise user awareness of safe gas usage, Hebei Natural Gas actively responded to the call of the Shijiazhuang Gas Center. On the morning of November 10, 2024, the Company held a special event for Winter Gas Safety Month at Shijiazhuang Liberation Square, themed "Focus on Gas Safety, and Build a Safe Home Together." During the event, staff members used various methods such as distributing promotional materials, on-site explanations, and quizzes with prizes to educate users about gas safety knowledge. They introduced common hazards and preventive measures related to gas facilities, emphasizing the working principles and usage methods of gas safety devices such as stainless steel corrugated metal hoses and self-closing valves. Through detailed explanations, users gained a deep understanding of the importance of installing and using gas safety devices, further enhancing their safety awareness.



Special Event for Winter Gas Safety Month "Focus on Gas Safety and Build a Safe Home Together"



Hebei Natural Gas Launched "Gas Safety Outreach in Townships" Campaign

Following the success of the "Gas Safety Enters Communities" campaign, Hebei Natural Gas customer service personnel were invited by the Gas Office of Shangbi Town Government to conduct gas safety knowledge training at the town government's conference hall. The training focused on explaining "Gas Safety Knowledge," distributing gas safety brochures, and providing ample time for Q&A after the session. Following the training, a "Gas Safety Grassroots Assistants" group was established to facilitate ongoing communication and exchange on gas-related issues, ensuring the training knowledge takes root and effectively curbing the occurrence of gas accidents.



Hebei Natural Gas's Gas Safety Outreach in Townships , Building Safety Hand in Hand at the Grassroots Level

Customer Communication and Intelligent Services

In the digital era, customer demand for convenient, efficient, and personalized services is constantly growing. Suntien attaches great importance to customer communication and intelligent services, striving to enhance customer satisfaction and loyalty with advanced information technology and efficient communication mechanisms. The Company has optimized customer communication channels and improved service quality and responsiveness through the development of an intelligent service platform.

The Company continuously optimizes the capabilities of its AI-powered hotline chatbot to enhance customer service quality and efficiency. Hotline staff members continuously improve the performance of the AI chatbot by assessing the accuracy of its responses and customer feedback from recorded calls. By the end of December, the independent resolution rate of the AI chatbot had increased from 55% at the beginning of the year to 70%, with 23,150 cases independently resolved.

The Company has effectively enhanced the efficiency and quality of its convenient services by implementing measures such as opening multiple online payment channels, deploying IC card recharge machines, and promoting IoT remote meter reading. By the end of December 2024, the proportion of express payment reached 95.2%, representing a 9% increase compared to the same period last year. This measure has not only reduced the frequency of customers visiting business halls for payment but also indirectly lowered the labor costs of subsidiaries.

Due to its outstanding service capabilities, the Hebei Natural Gas Hotline Center was awarded the "HECIC Group Fifth Civilized Service Demonstration Window" for the fifth consecutive year. As of the end of December 2024, the overall satisfaction rate of the hotline center reached 99.75%, maintaining a high satisfaction rate above 99% for many consecutive years, fully demonstrating its exemplary and leading role.

Community Engagement

We are committed to establishing long-term trust with the community, ensuring that the rights and needs of local residents are fully considered and respected in resource development, environmental protection, and social responsibility. To this end, we promote deep connections with the community through diversified communication and collaboration mechanisms to maximize common interests.

Community Communication Mechanism

Throughout the project implementation process, we have consistently emphasized communication with local governments, communities, and residents. We have employed various approaches, such as regular forums and community hearings, to actively listen to the concerns of all parties and ensure the comprehensive representation of stakeholder perspectives. In dispute resolution, the Company adheres to the principle of combining proactive communication, patient explanation, and reasonable compensation. This approach has successfully resolved numerous conflicts that hindered project progress, fostering a favorable environment for smooth project implementation.

Community Impact Assessment and Feedback

Suntien strictly adheres to international and local laws and regulations concerning protected areas, refraining from any development activities within them.

Prior to project commencement, the Company engages professional third-party institutions to conduct project impact assessments, encompassing environmental impact assessments, and evaluations of the potential effects on traditional community architecture, cultural heritage, and the ecological environment. These assessments aim to identify any protected areas that might be affected. During project development, the Company actively built platforms for communication with community members and village representatives, proactively set up feedback channels, and conducted multiple rounds of in-depth exchanges with all parties. On this basis, the Company fully respected and incorporated public opinion, gaining understanding and support from local communities, thereby ensuring the smooth progress of project construction.



05

INNOVATION AND COLLABORATIVE DEVELOPMENT

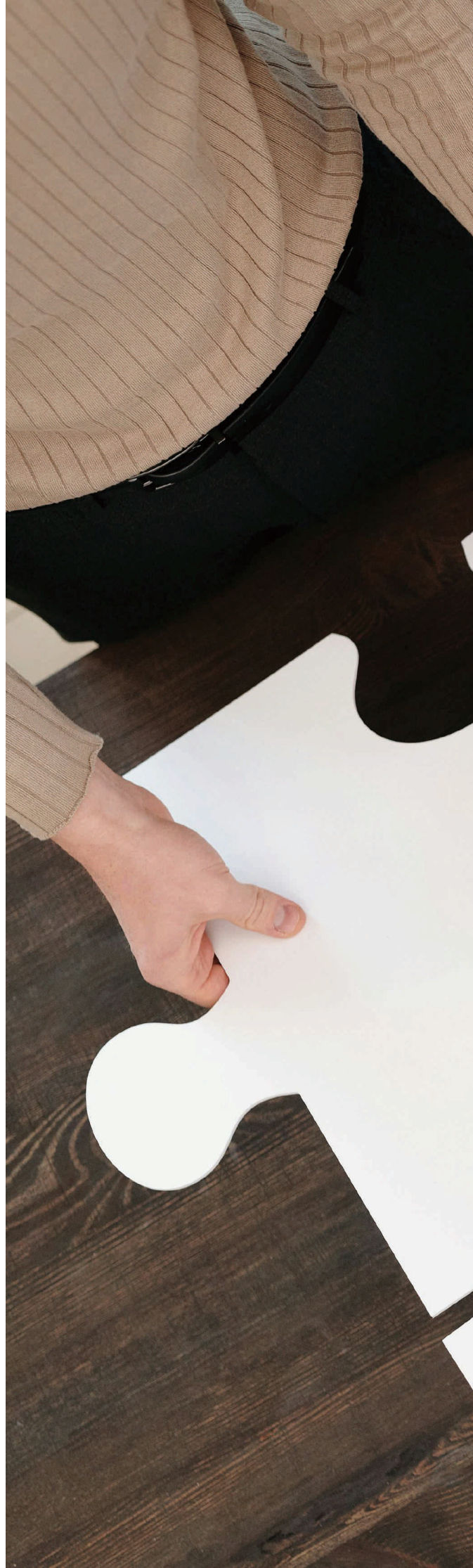
Suntien has consistently regarded technological innovation as the core driving force behind the high-quality development of the energy industry. We continuously deepen our scientific and technological innovation achievements through various measures, including sustained increases in R&D investment, the establishment of an innovation incentive mechanism, the strengthening of intellectual property protection, and the deepening of industry exchanges and collaboration. The Company actively engages in forward-looking technology research, striving to overcome key technological bottlenecks in the field of clean energy. This approach allows us to respond flexibly to the challenges of energy transformation, meeting society's urgent need for green and efficient energy, and contributing to building a sustainable energy future.

SDGs covered in this chapter



Material issues covered in this chapter

- Product and technology innovation
- Supply chain management





Scientific and Technological Innovation

Technological innovation is a crucial driving force for businesses to maintain competitiveness and achieve sustainable development. Leveraging its advantages in wind power and natural gas, Suntien actively explores the extension of the hydrogen energy industry chain. The Company has gained experience through wind power to hydrogen projects. Using the "National Energy Hydrogen and Renewable Energy Collaborative Technology Research and Development Center" as a platform, the Company conducts industry-university-research collaboration to promote the development of industrial chains such as green electricity - green hydrogen - green hydrogen metallurgy. In 2024, the Company achieved remarkable results in technological innovation, not only enhancing its R&D capabilities and technological expertise but also further solidifying its leading position in the industry through intellectual property protection and industry collaborations.

Key performances



Project initiation

125 new company level science and technology projects were initiated, and **4** were adjusted

Project Progress

Provincial Science and Technology Plan Projects:

2 new provincial science and technology plan projects were added

A total of

4 under research

2 of which have passed expert acceptance

R&D Platform Construction

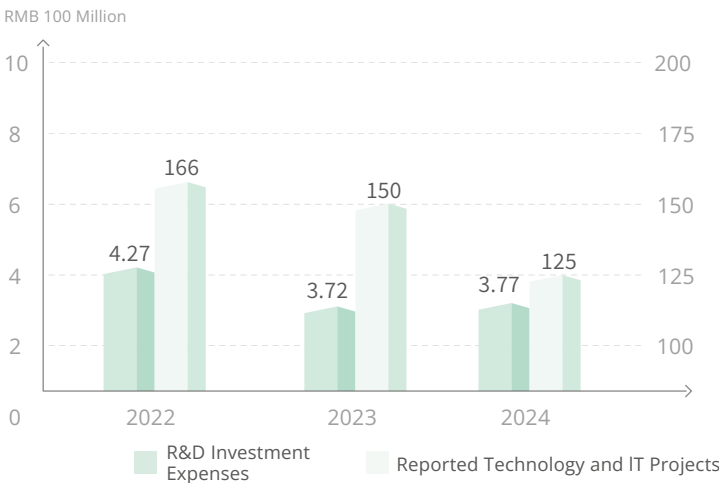
1 national-level R&D platform is under preparation

2 provincial-level technology innovation centers were officially approved

1 engineering research center are under construction

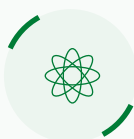
Technological Innovation Mechanism

Suntien places great emphasis on scientific and technological innovation, continuously optimizing its science and technology management system, promoting the construction of a science and technology project management platform, improving the training mechanism for scientific and technological personnel, stimulating employees' innovation vitality, and providing strong support for scientific and technological innovation.



In terms of science and technology management systems, the Company has completed the revision of 5 science and technology management standards, focusing on the revision of the Science and Technology Project Management Measures and the Regulations on Rewards for Scientific Research Achievements. This further standardized the project adjustment and termination management in the process management of science and technology projects, and added incentive support for science and technology R&D platforms.

Revisions to Science and Technology Management Systems



Science and Technology Project Management Measures

The measures it revised project types, optimized the entire project approval process, revised the triggering rules for project changes/re-establishment/termination, achieving dual improvement in management accuracy and implementation benefits.



Regulations on Rewards for Scientific Research Achievements

The measures it clarified the principles and scope of rewards for R&D achievements, emphasized the Company's leading role in the declaration of scientific research achievements, and added rewards for R&D platforms and first (set of) equipment to encourage employees to participate in R&D activities and enhance technological innovation capabilities.



Management Measures for Experts in Science and Technology Project Review (Consultation)

The principles for selecting expert panels have been supplemented, and the review (consultation) management process has been improved to ensure the scientific rigor, fairness, and transparency of science and technology project reviews, enhancing review quality.



Intellectual Property Management Measures

The responsibilities of the competent intellectual property management department and each management unit have been clarified, the content of patent management has been reorganized, and the intellectual property management process has been further standardized, enhancing the standardization and effectiveness of management.



Measures for the Management of Industry-University-Research Cooperation

The procedures for industry-university-research cooperation have been improved, and the ownership of technological achievements has been clarified. This will help the Company carry out industry-university-research cooperation efficiently, promote the transformation and application of scientific and technological achievements, and enhance technological innovation capabilities.

In terms of science and technology project management, the Company is actively promoting the construction of a science and technology project management platform, focusing on standardizing the content and submission process of science and technology projects, shifting from reliance on traditional paper document management to information system management. The science and technology project management platform is expected to be launched and operational within 2025. Through a digital management system, Suntien can track and manage R&D projects throughout their lifecycle, ensuring the authenticity, rationality, and effectiveness of R&D activities. This system provides strong support for the accurate collection and additional deduction of R&D expenses, guiding each management unit to calculate expenses in accordance with specified criteria and standards, and reducing tax risks.

In terms of optimizing the innovation ecosystem, the Company continues to improve the training and performance evaluation mechanisms for scientific and technological personnel, enhancing employees' awareness of innovation and stimulating their innovative potential and vitality. The Company encourages employees to leverage their unique work experiences and diverse thinking to generate innovative ideas by offering relevant training and learning exchange opportunities.



Completion and Acceptance of the Key Project Technology and Application Demonstration of Hydrogen Production by Proton Exchange Membrane (PEM) Electrolysis of Pure Water Based on Wind Power

In November 2024, the Key Technology and Application Demonstration of Hydrogen Production by Proton Exchange Membrane (PEM) Electrolysis of Pure Water Based on Wind Power under Island Operation Mode, a key R&D project in Hebei Province in which The HECIC New Energy participated, successfully passed acceptance. This project, jointly undertaken by Hebei University of Technology and the 718th Research Institute of China State Shipbuilding Corporation Limited, spanned three years. Through collaborative efforts in "production, learning, research, and application", the project successfully pioneered high-capacity DC wind power-PEM hydrogen production system equipment, and established a comprehensive demonstration project for wind power island hydrogen production in Zhangjiakou, achieving industry-leading standards. The project achieved remarkable results, with 8 invention patents filed and authorized, 8 academic papers published, and 7 master students trained. The successful implementation of this project not only enhanced the Company's technological prowess in the field of hydrogen energy but also served as a valuable reference for technological advancements within the industry, driving innovation and application of renewable energy hydrogen production technology.



On-site acceptance of PEM project



Completion and Acceptance of the Ningjin Key Technology Research and Application Project of Ultra-deep Salt Cavern Gas Storage Construction

In June 2024, the Ningjin Key Technology Research and Application of Ultra-deep Salt Cavern Gas Storage Construction, a key R&D project in Hebei Province that the Company participated in, passed acceptance smoothly. This project was jointly undertaken by the Second Geological Team of Hebei Coalfield Geological Bureau, the Institute of Rock and Soil Mechanics, Chinese Academy of Sciences (Wuhan), and Shijiazhuang Tiedao University, achieving breakthroughs in methods for inhibiting cavity shrinkage and evaluating the stability of ultra-deep salt cavern underground gas storages. These achievements have provided solid theoretical support for promoting the construction of ultra-deep gas storage clusters in Hebei Province, significantly enhancing the Company's technological level in the field of gas storage construction and offering valuable references for technological development within the industry.



Acceptance site of the Ningjin ultra-deep salt cavern gas storage project





Awards for Scientific and Technological Innovation

"The project Key Technologies and Applications of Green Design and Operation & Maintenance throughout the Lifecycle of Intelligent Wind Turbines/Stations" was awarded the Second Prize of Science and Technology Progress by Hebei Province in 2024.

[illegible]

Announcement of the final review results for the Second Prize of Science and Technology Progress in 2024

The technological achievement evaluation meeting for "Key Technology and Application Demonstration of Large-Scale Wind-Solar-Storage Complementary Hydrogen Production" was convened in July 2024. The evaluation experts, led by Academician Liu Shanghe from the Chinese Academy of Engineering, unanimously agreed that the overall technology of this achievement had reached an "international leading level."



Achievement evaluation meeting for large-scale
wind-solar-storage complementary hydrogen production

On 31 May, 2024, the Science and Technology Achievement Evaluation Committee, chaired by Professor Huang Shoudao, conducted a technological achievement evaluation for the project "Intelligent Wind Turbine and Farm Cluster Optimal Control Technology and Engineering Application."

The expert panel unanimously agreed that the project, based on relevant characteristic parameters, proposed intelligent wind turbine and farm cluster optimal control from the perspectives of individual turbines, wind farms, and clusters, achieving multi-source information fusion, resolving the challenges of wind turbine operation safety and optimal control, and reaching an "international leading level."



Science and technology achievement evaluation meeting for
intelligent wind turbine and farm cluster optimal control technology

In March 2024, the HECIC Yangpo Hydrogen Production Station of the HECIC New Energy received the first domestic green hydrogen certification at the Beijing China Hydrogen Energy Exhibition, jointly organized by the China Hydrogen Alliance and power companies.



HECIC Yangpo Hydrogen Production Station obtaining the first domestic green hydrogen certification

Key performances



In 2024

The Company cumulatively authorized

72 invention patents

380 utility model patents

Obtained

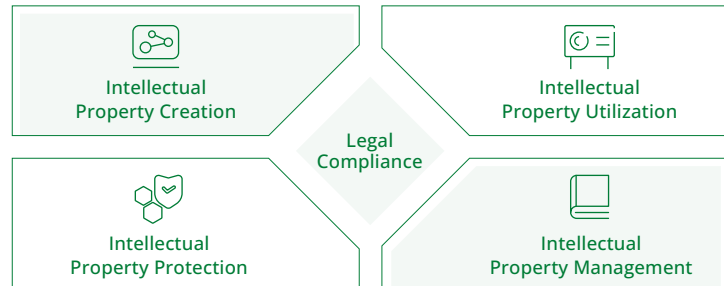
177 software copyrights

Published

85
papers in national journals and
various conferences

Intellectual Property Protection

Suntien attaches great importance to intellectual property protection, strictly abiding by national laws and regulations such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, continuously improving the intellectual property management system to ensure the legality and compliance of the Company in the creation, application, protection, and management of intellectual property.



In 2024, the Company comprehensively enhanced its intellectual property protection level by revising relevant management systems, building a patent pool, and strengthening its intellectual property layout.

In terms of intellectual property management systems, the Company revised five systems, including the *Science and Technology Project Management Measures* and the *Regulations on Rewards for Scientific Research Achievements*. This clarified the responsibilities of the designated management department for intellectual property within the Company, further standardizing the intellectual property management processes. In terms of intellectual property setup and protection, the HECIC New Energy and Suntien Technology Innovation Company have established a patent pool, enabling patent sharing and enhancing the Company's intellectual property protection.

The improvement of the intellectual property management system has enhanced the standardization and effectiveness of management, while the development of the patent pool has strengthened the Company's intellectual property protection capabilities. The significant number of authorized invention patents and utility model patents further consolidates the Company's leading position in the industry. These achievements not only provide a solid guarantee for the Company's continuous innovation but also lay a solid foundation for the Company's long-term development.

Industry Exchange

Suntien considers industry exchange as a crucial avenue for promoting technological innovation and enhancing corporate competitiveness. In 2024, the Company actively promoted scientific and technological innovation and collaboration by organizing technical committee meetings and conducting technical exchanges with universities and enterprises. This has significantly enhanced the Company's influence and technological innovation capabilities within the industry. These activities have brought cutting-edge technological concepts and practical experience to the Company.



Technical Committee Meeting of the National Energy Hydrogen and Renewable Energy Collaborative Technology Research and Development Center

In November 2024, the Company successfully organized the "First Technical Committee Meeting and Working Committee Meeting of the National Energy Hydrogen and Renewable Energy Collaborative Technology Research and Development Center" in Xiongan New Area. The meeting invited nine top experts in the industry, including Academician Han Buxing, Academician Liu Shanghe, and Academician Zhen Chongli, to form the Technical Committee. During the meeting, over 20 experts engaged in in-depth discussions on the key topic of synergistic development between hydrogen energy and renewable energy, exploring the construction concepts, objectives, and content of the R&D center. Their collective efforts aim to drive the high-quality development of the hydrogen energy industry and achieve the "Dual Carbon goals." The successful convening of this meeting not only brought together the wisdom and strength of the industry but also provided crucial guidance and support for the Company's technological research, development, and application in the field of hydrogen energy.



Technical Committee Meeting of the National Energy Hydrogen and Renewable Energy Collaborative Technology Research and Development Center



Technical Exchange Meeting on Integrated Industrial Chain Demonstration Project for Production/Transmission/Utilization of Hydrogen with Renewable Energy

In December 2024, Suntien, along with the Shougang Technology Research Institute, Jingtang Company, and other entities, held a technical exchange meeting focused on the "Integrated Industrial Chain Demonstration Project for Production/Transmission/Utilization of Hydrogen with Renewable Energy." The meeting delved into the cutting-edge technologies and development trends across the entire industrial chain, including direct supply of green electricity, hydrogen production from renewable energy sources, hydrogen metallurgy, green hydrogen synthesis of methanol and ethanol, and the development of new steel materials for wind power. Through this technical exchange, Suntien not only established a close collaborative relationship with entities like the Shougang Technology Research Institute but also secured crucial technical support and cooperative opportunities for the construction of the "National Energy Hydrogen and Renewable Energy Collaborative Technology Research and Development Center."



Suntien's Technical Exchange Meeting with Shougang Technology Research Institute

Supply Chain Management

Supply chain management is a crucial aspect of achieving corporate sustainability. During the Reporting Period, we continued to refine our supplier management system. Through rigorous entry screening and a dynamic evaluation mechanism, we prioritize collaborating with partners committed to environmental protection, social responsibility, and compliant governance. Furthermore, we prioritize ESG risk assessment within our supply chain and advocate for green and responsible sourcing practices. We also leverage customized training programs and technical collaboration to empower our suppliers, fostering their development and contributing to a greener supply chain ecosystem.

Key performances



In 2024

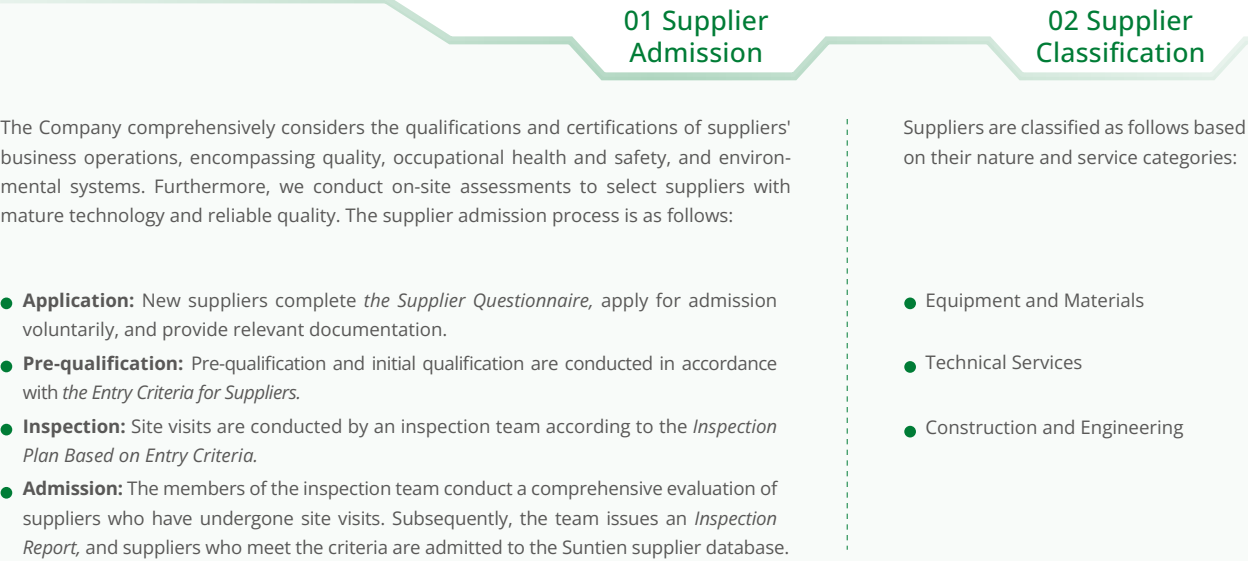
Suntien had a total of **420** suppliers

including **162** local suppliers.

Supplier Management

Suntien has formulated several internal management systems, including the *Tender Management Regulations*, the *Project Construction Suppliers Management Measures*, and the *Measures for the Management of Material Suppliers*. During the Reporting Period, we also revised the *Measures for the Management of Competitive Selection*, continuing to improve the management of processes such as supplier selection, supervision, and evaluation. Through a series of stringent supplier lifecycle management practices, encompassing classification, inspection, access, relationship management, performance appraisal, and an exit mechanism, we have established a transparent, high-quality, and secure supply chain system.

Supplier Lifecycle Management



ESG Indicators		Unit	2024
Total Number of Suppliers		/	420
By region	Inside Hebei Province	/	162
	Outside Hebei Province	/	257
	Overseas	/	1
By category	Number of suppliers with quality management system (ISO 9000) certification	/	377
	Number of suppliers with environmental management system (ISO 14000) certification	/	374
	Number of suppliers with certified occupational health and safety management systems	/	374
	Number of contractors with quality management system (ISO 9000) certification	/	87
	Number of contractors certified to environmental management system (ISO 14000)	/	87
	Number of contractors certified with occupational health and safety management systems	/	62

Transparent Procurement

Suntien is committed to maintaining a transparent and fair supply chain cooperation environment, ensuring fairness and impartiality in the procurement process. In *the Measures for the Management of Material Procurement*, we clearly stipulate the ethical obligations of the Company's procurement personnel, encompassing anti-bribery measures, information and privacy protection, protection of trade secrets and intellectual property rights, and conflict of interest prevention. Additionally, we require all newly qualified suppliers to *sign a Supplier Commitment Letter* to regulate their conduct. Any violation of the commitment letter or relevant laws and regulations, such as corruption, fraud, or infringement, will be considered a serious breach of contract, and we will take punitive actions against the respective supplier.

03 Supplier Performance Appraisal

- **Appraisal Scope:** Evaluation and assessment are conducted based on the above supplier classification.
- **Appraisal Cycle:** The Procurement Department organizes at least one supplier appraisal every year, with appraisals categorized as regular and ad-hoc.
- **Appraisal Method:** Referring to *the Score Table of Supplier Performance Appraisal*, a comprehensive evaluation of suppliers is conducted using a combination of daily management assessments and annual evaluation indicators. The evaluation covers multiple aspects such as product quality and service, and culminates in the issuance of *a Supplier Performance Appraisal*.

04 Supplier Withdrawal

- Any supplier deemed unqualified will be excluded from collaboration for three years. If they wish to resume cooperation after this period, they must undergo re-assessment following the supplier admission management protocol and may only collaborate after passing this appraisal.

Supply Chain Empowerment

By carrying out supplier exchange training and establishing knowledge-sharing and cooperation mechanisms, the Company is committed to enhancing suppliers' business and technical capabilities, promoting coordinated development and complementarity with the Company, and jointly building a high-quality value chain ecosystem.

During the Reporting Period, the Company closely followed industry policies and business development trends and conducted thematic exchanges and training for suppliers in the natural gas and new energy sectors in a timely manner.



The Engineering Management Department Conducted Supplier Training on Professional Knowledge of Offshore Wind Power Technology

To seize the development opportunities of offshore wind power, the Engineering Management Department held a series of technical exchange activities on offshore wind turbines to help technical personnel of construction suppliers understand the research direction of advanced technologies for offshore wind turbines, including next-generation derating technologies, new airfoil and new materials for blades, intelligent wind farms based on data analysis and artificial intelligence, next-generation component and tower technologies, dual-rotor wind turbines, floating foundations, and other wind turbine technology research directions and progress, aiming to improve suppliers' theoretical knowledge of technology.



Hebei Natural Gas Organized Special Training to Enhance Suppliers' Awareness and Capability in Quality Management

Leaders of Hebei Natural Gas led a team to visit equipment manufacturers of products, such as steel pipes, pipes, and flange fasteners for in-depth exchanges and discussions on product quality, product services, after-sales service, daily maintenance and emergency spare parts. Through on-site observation and learning, both parties witnessed various quality control models in the product processing stage, strengthening the consensus between the Company and suppliers on key aspects such as product quality, service and after-sales service.



Supplier Exchange Activities of Hebei Natural Gas



06

TALENT AND COMMUNITY DEVELOPMENT

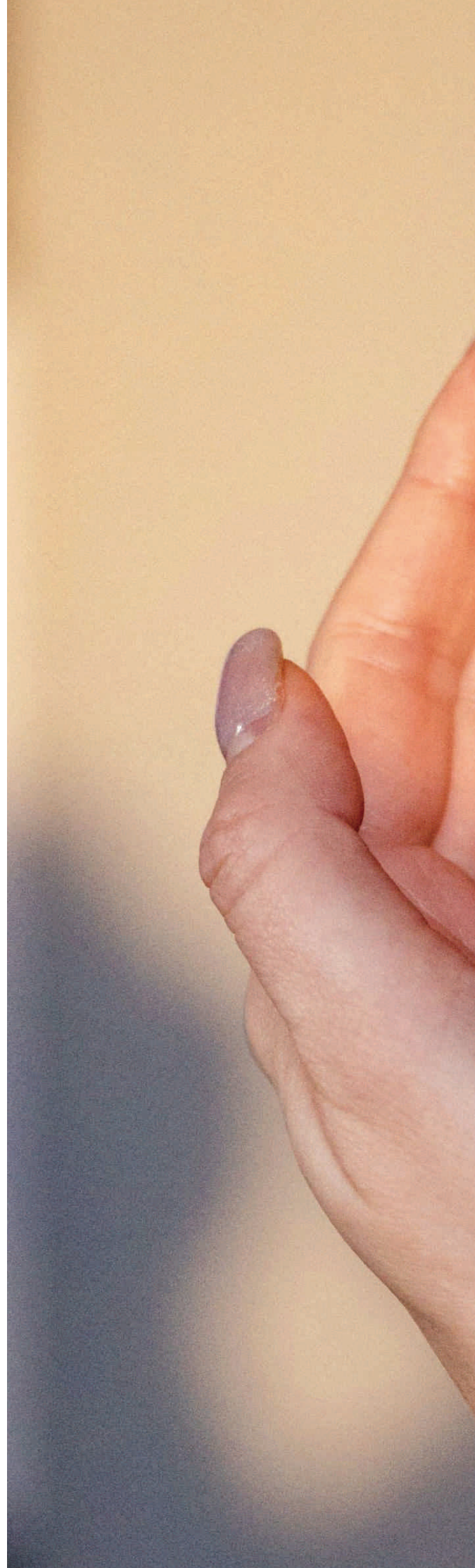
Suntien upholds the philosophy of "people-oriented and harmonious win-win" and is committed to closely integrating employee development with the sustainable development of the Company. We are creating a diverse, inclusive and fair work environment for our employees, building multi-dimensional career development paths and a comprehensive training system to continuously promote employee growth and progress. At the same time, the Company strengthens employee care, deepens corporate culture construction, and actively participates in social welfare undertakings such as education, environmental protection and livelihood services, with a focus on rural revitalization, fully fulfilling its social responsibilities and demonstrating Suntien's mission and responsibilities.

SDGs covered in this chapter



Material issues covered in this chapter

- Legal employment
- Employee rights and interests
- Talents cultivation and development
- Community relations
- Serving the local economy
- Public welfare



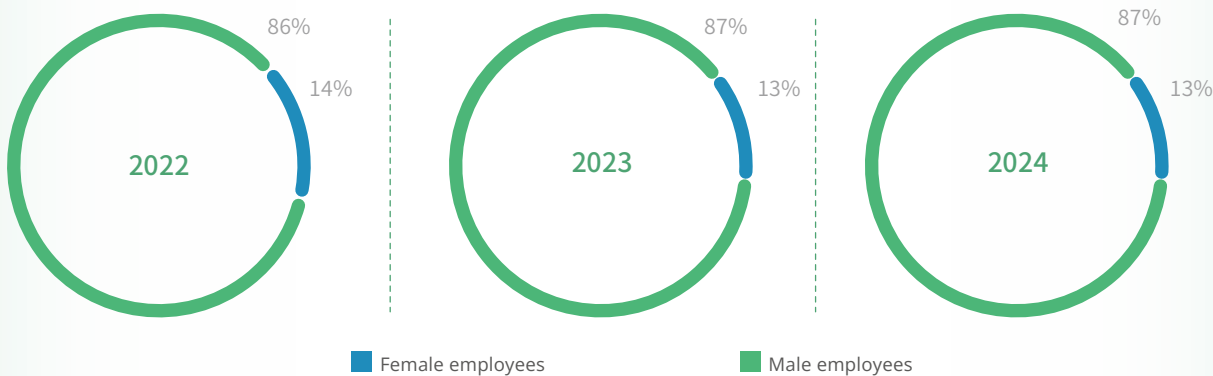


Employment and Welfare

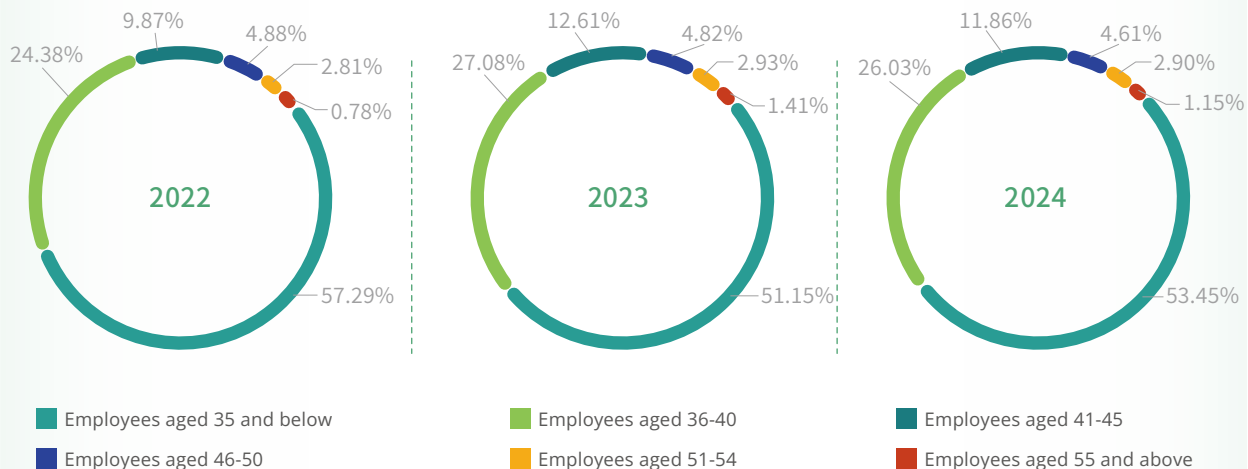
Compliant Employment

Suntien strictly complies with laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Employment Promotion Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Protection of Minors*. We insist on equal and compliant employment, prohibit the employment of child labor and forced labor in any form, treat employees of different nationalities, races, religions, genders and ages fairly, and strive to create a diverse, inclusive, fair and just workplace environment for employees. As of 31 December 2024, the total number of Suntien employees under labor contracts was 2,866. During the Reporting Period, there were no incidents of violation of labor laws such as forced labor or child labor.

Total number of employees by gender



Total number of employees by age group



Employee Communication Channels

Suntien has established a labor union for employees and strictly adheres to the employee representative assembly system. Regular meetings of the labor union representative assembly are held to elect union committee members and formulate relevant management measures, ensuring standardized and institutionalized union operations. The labor union actively listens to the voices of employees, encourages their participation in corporate decision-making, and enhances their sense of affiliation and team cohesion. In addition, the Company has established mechanisms for collective bargaining and wage negotiation, strengthening democratic management to address the immediate interests of employees in a timely and effective manner. These measures effectively prevent and resolve labor relation conflicts, contributing to harmonious labor relations.

Grievance Mechanism

The Company has established smooth and effective complaint channels. Employees can submit suggestions to the Company or their superiors through annual interviews or file complaints directly. For serious issues such as discrimination, harassment, or infringement, the Discipline Inspection and Supervision Department will investigate. The Company is committed to upholding the legitimate rights and interests of employees through a fair communication mechanism.

Remuneration and Benefits

Suntien has formulated internal regulations such as *the Remuneration Management Measures*, *the Supplementary Medical Benefits Management Measures*, and *the Social Insurance Management Measures*, continuously improving the employee welfare system, and is committed to providing comprehensive support and protection for employees.

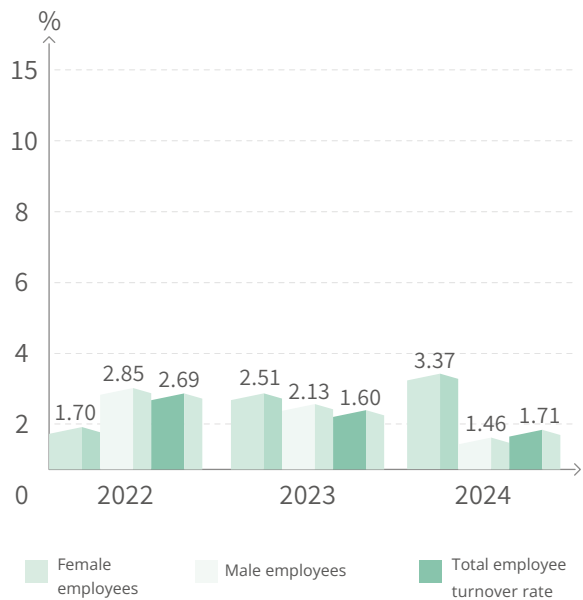
Remuneration and Incentive Mechanisms

Suntien continuously improves its remuneration and performance evaluation system. Implementing differentiated assessment principles, we conduct reasonable performance evaluations based on employee performance and contributions, ensuring fairness and incentives in remuneration. The Company enters into special collective contracts on matters such as wage distribution system, wage distribution format, and wage income level, and completes the signing of special collective wage contracts to safeguard employee rights. In 2024, the Company's collective bargaining agreement coverage reached 100%.

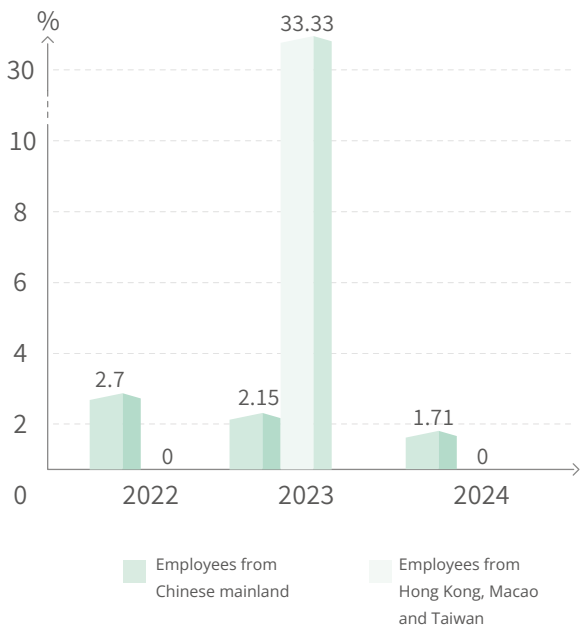
Employee Welfare System

Suntien is committed to creating a diverse welfare system for its employees. We have developed and improved the *Supplementary Medical Benefits Management Measures* to comprehensively safeguard the health and safety of our employees. Meanwhile, the Company actively implements the *Employee Benefits Regulations*, providing humane care such as birthday greetings and holiday benefits. We legally protect employees' entitlement to benefits such as annual leave, marriage leave, statutory holidays, and maternity leave, effectively enhancing their well-being and sense of affiliation.

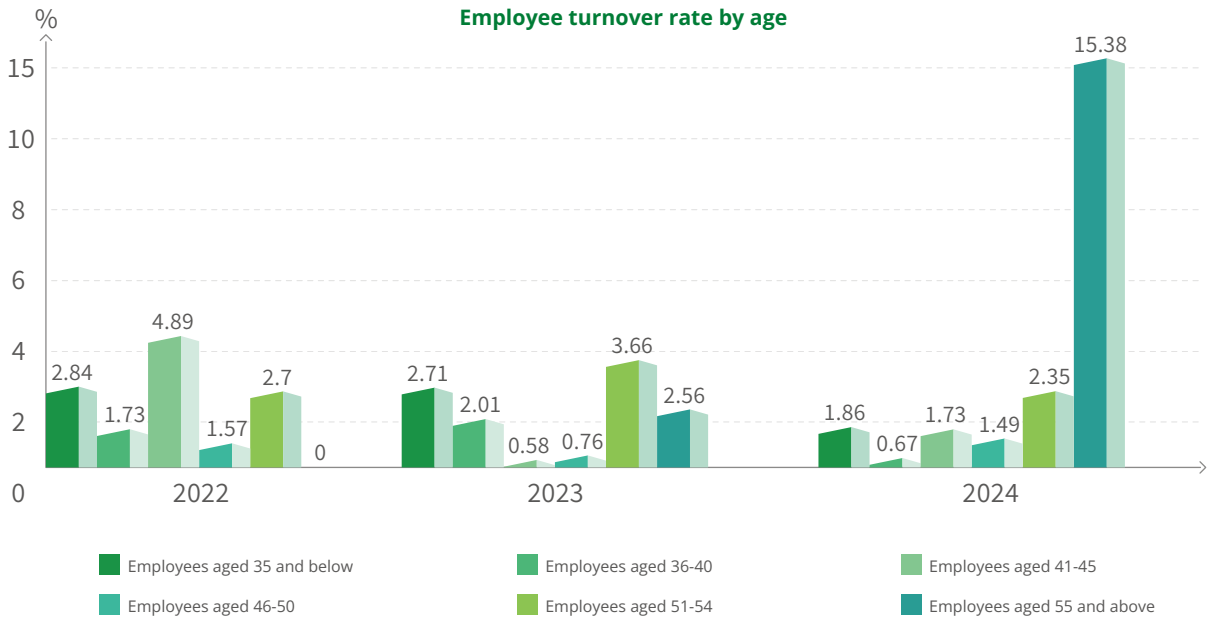
Employee turnover rate by gender



Employee turnover rate by region



Employee turnover rate by age



Suntien strictly complies with relevant national laws and regulations, ensuring that female employees enjoy full protection of their rights. In accordance with regulations, female employees are entitled to paid maternity leave and can receive maternity allowances provided by the government during their leave, ensuring their financial income is not affected during childbirth. Additionally, breastfeeding female employees are entitled to dedicated breastfeeding time each day. The Company provides convenient conditions for breastfeeding mothers, ensuring they can reasonably arrange breastfeeding time and balance work and family responsibilities.

To better care for and serve female employees, the Company actively organizes various activities to enhance their awareness of rights and self-protection capabilities.



Suntien's Trade Union "Women's Lecture Hall" Promotes Women's Growth and Development

In June 2024, Suntien's trade union successfully held the second session of the "Women's Lecture Hall." This session took the form of a thematic lecture, delving into the study and implementation of the Work Regulations for the Women Workers' Committee of Trade Unions issued by the All-China Federation of Trade Unions. Discussions centered around the fundamental tasks outlined in the regulations, with the aim of developing specific implementation measures. Through this activity, Suntien's trade union actively safeguards the legitimate rights and interests of female employees and supports their all-round development, demonstrating the Company's responsibility and commitment to promoting gender equality and employee growth.



"Women's Lecture Hall" Activity

Training and Development

Employee Promotion

Suntien values the personal growth and development of its employees. By enhancing the human resource management system and implementing a diversified promotion mechanism, the Company provides ample career opportunities. Adhering to the principle of "implementing both attraction and cultivation of talent, and using practical work to replace formal training," the Company optimized several key systems during the reporting period, including the Performance Management Measures, Attendance Management Measures, and Recruitment and Employment Management Measures, ensuring the scientific and standardized assessment and selection of talent.

Internal Assessment Mechanisms

The Company provides internal promotion opportunities for employees through performance appraisals and job competitions. In 2024, the Company revised the Employee Job Performance Appraisal Management Measures, combining individual performance indicators with the annual targets of the Company and its departments, further optimizing the appraisal process. Performance appraisals are conducted on a monthly basis. Performance indicators are set based on different job positions, ensuring that the annual tasks of the Company and its departments are broken down and implemented to specific positions.

Talent Echelon Development

The Company strengthens talent echelon development, providing employees with abundant career development opportunities and smooth promotion channels. In 2024, the Company further refined its dual career path, encompassing both management and professional technical tracks. Multiple job grade classifications were established, providing clear promotion pathways for employees in various positions. Concurrently, a series of systems were formulated, including the *Management Trainee Implementation Plan*, *Talent Cultivation and Echelon Development Implementation Plan*, *Employee Temporary Transfer/Appointment Training Management Implementation Plan*, and *Two-Way Temporary Transfer Training Implementation Plan*. These initiatives leverage diverse cultivation methods such as job rotation and two-way temporary transfers to bolster employee career development and fortify talent echelon development.

Employee Training

Centered around the needs of employees at various career stages, the Company designs and implements diverse training programs. These initiatives encompass new employee onboarding training, specialized skills training, middle and senior management training, and general vocational skills training. They aim to comprehensively enhance the overall capabilities of employees and their job proficiency, providing robust support for their career advancement and concurrently contributing to the Company's attainment of high-quality development objectives.

New Employee Training

Suntien has designed a comprehensive onboarding training program for new employees. This program aims to facilitate their understanding of the Company's culture and systems, fostering their integration into the work environment and enabling them to adapt to their job requirements effectively. In 2024, the Company organized a training camp for new employees. The training items included basic courses such as company overview, corporate culture, rules and regulations, safety knowledge, and professional ethics. External lecturers and internal professional backbones were invited to give lectures. The Company also held a "Talk about Growth, and Strive Together" seminar for new and veteran employees, as well as a "Craftsmanship Building for a Common Future" team-building activity. Through various interactive forms, the sense of affiliation and identity of new employees were enhanced, laying a solid foundation for their career development.

General Vocational Skills Training

In view of the needs of foreign-related businesses, Suntien provides foreign language training for relevant business personnel. The aim is to build a talent team with professional foreign language skills to better support the Company's international business development.

Professional Skills Training

Based on job requirements and business development, Suntien actively carries out professional skills training in multiple fields.

In 2024, the Company collaborated with external units such as the Provincial Emergency Management Department and the Special Equipment Association to organize professional skills training, including training for principal responsible persons and safety management personnel, gas appliance maintenance, electricians, and welders. A total of 325 people were trained, accumulating 4,665 training hours.

In addition, the Company also held training and exchange activities in different professional fields, covering topics such as customer service system optimization and improvement, shift team safety building, urban gas project construction cycle seminar, and "Gas +" business exchange. A total of 617 people attended, with 4,228 hours of exchange and learning, and an average satisfaction rate of 99.85%.

Moreover, the Company encourages employees to pursue self-directed learning and acquire registered professional qualification certificates through an exam fee reimbursement system.

Leadership Training

To enhance the overall competence and job performance capabilities of middle and senior management personnel, Suntien collaborated with Harbin Institute of Technology in 2024 to conduct a comprehensive capacity building training program. This training encompassed cutting-edge topics such as national energy strategy, macroeconomic analysis, the development of legal thinking among managers, and the enhancement of leadership and execution skills. Through case studies, interactive teaching, and other engaging methods, a relaxed and enjoyable learning environment was fostered. This approach aimed to enable participants to accurately perceive changes in the industry landscape and strengthen their team leadership and management skills.



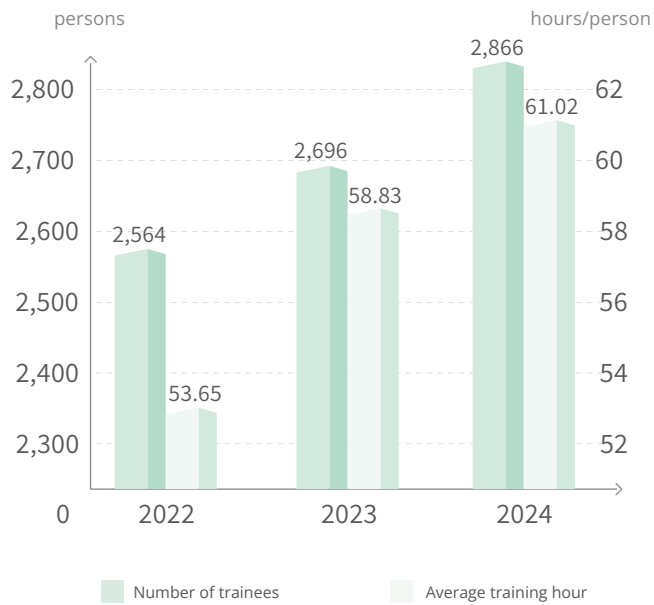
Caofeidian Company Successfully Hosted Team Leader Comprehensive Quality Improvement Training in 2024

In 2024, Caofeidian Company successfully held a training program to enhance the comprehensive capabilities of its team leaders, aiming to cultivate a team equipped with both exceptional management skills and proficient technical expertise. This training program attracted over 20 team leaders and grassroots management personnel. It employed an innovative and diversified approach by integrating thematic lectures, interactive workshops, and internal instruction. The training focused on two core modules, role management and on-site management. It systematically imparted theoretical knowledge and, through real-world case studies, provided in-depth analysis of labor risk identification and mitigation strategies. Through group discussions and experience sharing, participants engaged in in-depth exchanges on practical workplace issues. This process effectively stimulated team intelligence and laid a solid foundation for enhancing shift team management.



Caofeidian Company's Shift Team Leader Comprehensive Quality Improvement Training in 2024

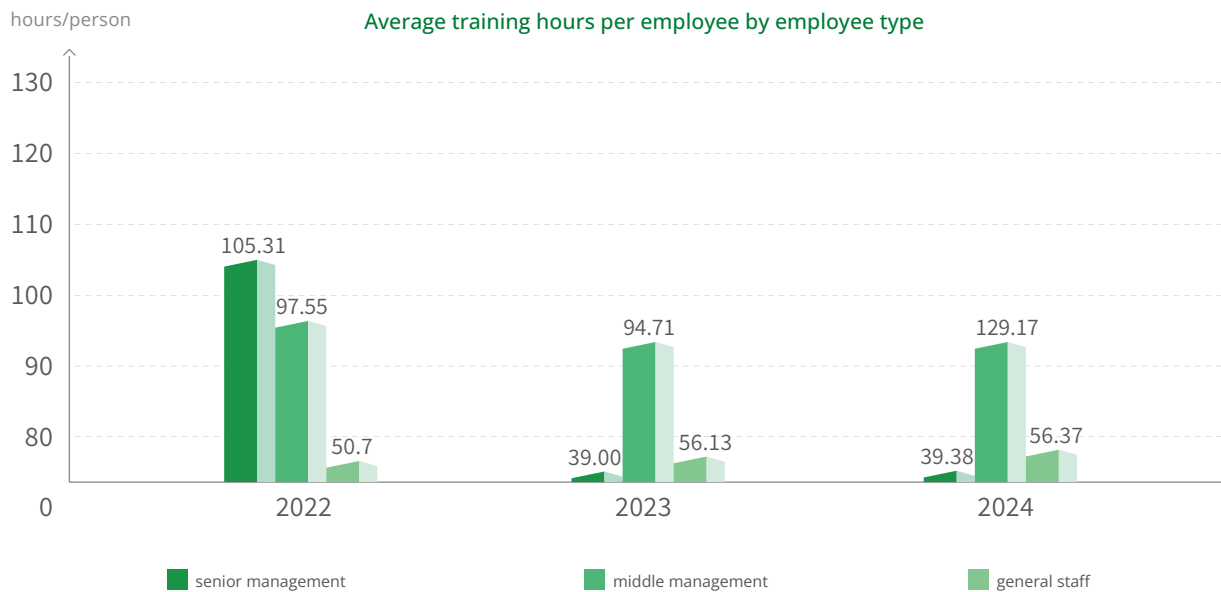
Number of trainees and average training hours



Average training hours by gender



Average training hours per employee by employee type



Employee Care

Suntien attaches great importance to the well-being of its employees and cares about their physical and mental health. We strive to create a healthy and harmonious working environment by providing a diverse range of initiatives, including holiday greetings, support for employees in need, care for female employees, high-temperature benefits, health lectures, and recreational activities.



Holiday Greetings

In 2024, the Company organized multiple holiday greeting events for festivals such as the Spring Festival, Dragon Boat Festival, and Mid-Autumn Festival. These events involved distributing a variety of gifts to employees, fostering a sense of affiliation.



Care for Female Employees

During International Women's Day, the Company launched a series of activities themed "Women Power Dreams and Forge Ahead in the New Era" These activities included themed essay writing, online knowledge quizzes, and health lectures, enhancing female employees' health awareness and enriching their cultural life. The Company also provides each female worker with two cancers screening and other female-specific health check items to ensure that the health of female workers is protected.



Health Lectures

The Company organized several health seminars and invited experts to explain health knowledge to employees, providing them with professional health guidance and enhancing their awareness of self-care.



HECIC New Energy Organized Scientific Seminar on Chronic Disease Prevention and Control

On 13 November, 2024, HECIC New Energy organized a seminar on chronic disease prevention and control, which was attended by employees of the Company's headquarters and affiliated entities on-site or online. The lecture was delivered by Tian Guanfeng, Director of the Publicity and Education Department of the Safety and Health Education Network in Hebei. The event reinforced the concept of "individuals being primarily responsible for their own health." It promoted CPR and the Heimlich maneuver, explained the symptoms, causes, and prevention of cardiovascular diseases in autumn and winter, and enhanced employees' self-awareness of health protection.



Scientific Awareness Lecture on Chronic Disease Prevention

Recreational Activities

The Company fosters camaraderie and strengthens teamwork among employees by organizing various sports activities, including the "Anniversary Cup" basketball tournament, cultural cycling, brisk walking, and badminton competitions. Additionally, we organize activities like movie watching and national defense education experiences to further promote positive energy and create a positive and motivated corporate culture.



Suntien Held "I Run, I'm Happy" Marathon

On 12 October 2024, Suntien's 2024 "I Run, I'm Happy" Marathon kicked off at the Shijiazhuang Hutuo River Olympic Sports Park. Suntien seizes this opportunity to further popularize and promote mass sports activities within the Company, improve the physical fitness of all employees, and promote a healthier and happier life and a more relaxed and enjoyable work experience for all.



"I Run, I'm Happy" Marathon Scene



"Saluting the Glorious Years, and Tracing Red Memories" Event to Welcome August 1st and Support the Military and Their Families

Prior to Army Day, Hebei Natural Gas conducted the "Saluting the Glorious Years, and Tracing Red Memories" event to welcome August 1st and support the military and their families. The Company organized retired military personnel, their families, and military dependents to visit the Shijiazhuang Liberation Memorial Hall to watch the large-scale procession performance "Shijiazhuang 1947," creating a strong atmosphere of respect and love for the military and further promoting the glorious traditions and red heritage.



"Saluting the Glorious Years, and Tracing Red Memories" Event to Welcome August 1st and Support the Military and Their Families

Rural Revitalization and Public Welfare

Suntien actively fulfills its corporate social responsibility and contributes to rural revitalization and sustainable development by giving back to society through diverse public welfare activities. In 2024, the Company carried out public welfare activities in various fields, including environmental protection, educational support, community services, and rural revitalization, demonstrating its commitment to creating greater social value through practical actions and bringing warmth and strength to society.

The Company established a youth volunteer service team and encouraged volunteers to actively participate in public welfare activities. In 2024, Suntien's youth volunteer service team had 315 volunteers who contributed a total of 816.4 hours to public welfare, demonstrating their commitment to giving back to society and spreading love through concrete actions.



Voluntary Tree Planting Activity at Xiaobi Forest Farm in Shijiazhuang

On Arbor Day, 12 March 2024, Suntien employees once again visited the Xiaobi Forest Farm in Shijiazhuang to participate in the annual voluntary tree planting activity, adding greenery to the city. Under the guidance of experienced forest rangers, everyone, equipped with shovels and carrying saplings, worked together seamlessly to complete the steps of digging pits, planting trees, and backfilling soil. The atmosphere at the site was enthusiastic and collaborative. Each sapling taking root in the earth represents not only vitality but also a green hope for the future.



Voluntary tree planting activity at Xiaobi Forest Farm in Shijiazhuang



Suntien Organizes a Voluntary Blood Donation Activity

On 24 October 2024, to promote the spirit of selfless dedication and demonstrate its commitment to corporate social responsibility, Suntien organized a blood donation activity themed “Donating Blood, Passing on the Hope of Life” for its enterprises under the Company. Everyone actively responded to the call and enthusiastically participated, silently conveying the power of love through the act of voluntary blood donation.



Blood donation activity





Public Welfare Activity at the “Learn from Lei Feng Youth Volunteer Service Market”

With the arrival of winter, it enters a high-incidence season of gas accidents. To raise awareness of safe gas use among users, Hebei Natural Gas organized volunteers to participate in the public welfare activity at the “Learn from Lei Feng Youth Volunteer Service Market,” distributing the Residential Gas Safety Manual to enhance public awareness of safe gas use.



Public awareness campaign on residential gas safety

Rural Revitalization

Suntien thoroughly studied and implemented the spirit of General Secretary Xi Jinping's important speeches and instructions on village-based work, and fully implemented the decisions and arrangements made by the central, provincial, municipal, and county levels regarding the effective integration of the achievements of poverty alleviation with rural revitalization. The Company focused on the five responsibilities of the village work team, including "publicizing Party policies, strengthening village Party organizations, promoting prosperous villages and enriching people, improving governance, and serving the people." These efforts aimed to vigorously promote the development of agricultural industries, improve the rural landscape, enhance governance capabilities in Leguo Village, and accelerate rural revitalization while consolidating the achievements of poverty alleviation.

In 2024, the Suntien village work team focused on key areas of efforts in rural revitalization, including monitoring to prevent people from falling back into poverty, conducting research on industrial projects, providing services to the people, publicizing policies, and offering consumption support. They made solid progress in various tasks, contributing to rural development, consolidating the achievements of poverty alleviation, and promoting positive outcomes in rural revitalization.



Suntien Supports Rural Revitalization in Fengning

In August 2024, Suntien went deep into Leguo Village, Fengning Manchu Autonomous County, to conduct field research and provide guidance for the village-based assistance work. The Company inspected the office and living conditions of the village work team, expressed condolences to the team members, and listened to a report on the assistance work. In addition, the Company gained an in-depth understanding of the village's greenhouse vegetable project, paid attention to the planting and sales of vegetables and fruits, and emphasized that the village work team should focus on core tasks such as strengthening grassroots Party organizations, improving rural governance, developing distinctive industries, expanding the collective economy, and boosting farmers' income. The village work team stated that they would accurately implement assistance measures based on the specific conditions of Leguo Village, consolidate the achievements of poverty alleviation, and promote rural revitalization.

During the Reporting Period, Suntien was awarded the "Top 20 in Rural Revitalization" at the 2nd China Reform Holdings Cup ESG Golden Bull Awards and the "Top 100 ESG Listed Companies in China in 2024" award by Securities Times. These recognitions highlighted Suntien's active investment and contributions in promoting rural revitalization.

Outlook for 2025

Against the backdrop of the accelerated restructuring of the global energy system, the international community's dual demands for low-carbon transition and energy security continue to intensify. The International Energy Agency (IEA) predicts that by 2030, global renewable energy installed capacity will reach nearly 11,000 GW, with wind power, as one of the main technological pathways, ushering in an opportunity for large-scale development. The strategic position of natural gas as a transitional energy source for low-carbon transition is further highlighted, and its value in flexible load shifting and synergistic emission reduction is receiving considerable attention.

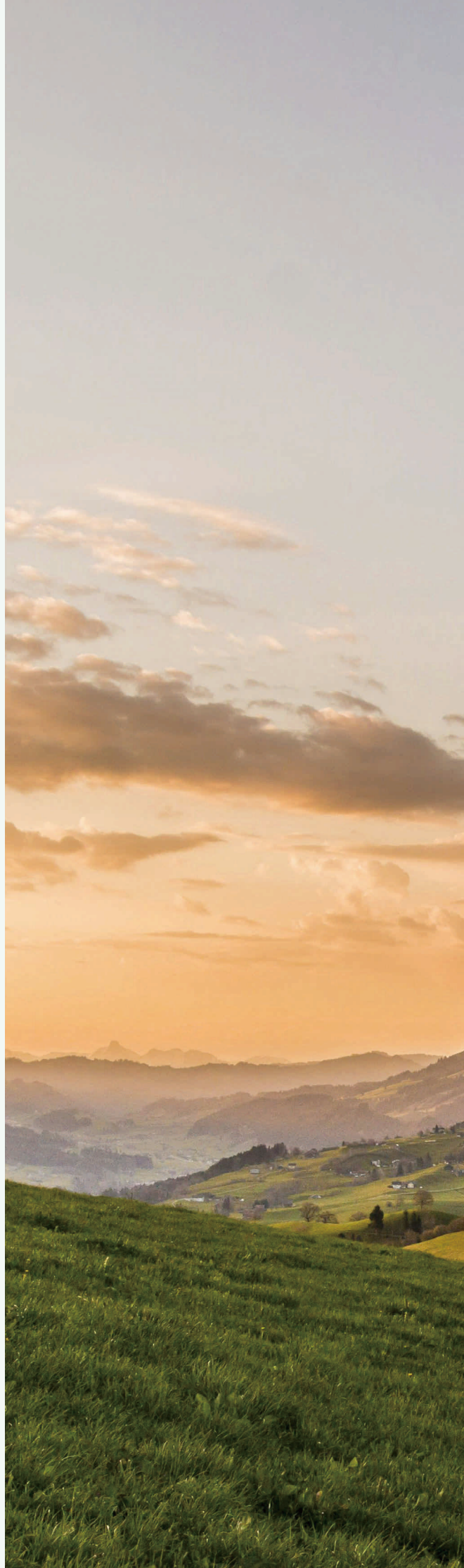
Meanwhile, China is accelerating the development of a new energy system driven by the "Dual Carbon" goals and is establishing market-driven mechanisms through policy tools such as green electricity trading and the resumption of CCER. In this context, Suntien, as an energy company with the advantages of both clean wind power and stable natural gas supply, will contribute to the global energy transition.

Looking back on 2024, we have been driven by technological innovation, actively expanding the new energy industry chain, planning various demonstration projects, and promoting the upgrade of the Smart Warehouse big data platform. We will consolidate and enhance the advantages of our main natural gas business, explore new resources and cooperation opportunities, and systematically improve our comprehensive energy service capabilities.

Based on ensuring energy security, we are committed to reducing the Company's carbon emissions, strengthening biodiversity management throughout the project lifecycle, and promoting harmonious coexistence between humans and nature. At the same time, we comprehensively safeguard the rights and welfare of employees, provide diversified talent development opportunities, and actively participate in rural revitalization to ensure shared development benefits.

Facing a complex external environment, we continue to improve the three-tier ESG governance structure, including the Board of Directors, and fully integrate ESG governance into the decision-making process. We will continuously improve the risk management system, prevent and resolve various risks and challenges, and ensure the Company's stable development.

As a participant in the clean energy ecosystem, Suntien firmly believes that through technological innovation, responsible management, and value co-creation, it can achieve a synergy of commercial value and social value. In the future, Suntien will also join hands with stakeholders to accelerate its progress towards a zero-carbon future while safeguarding energy security.





INDICATOR INDEX

HKEX ESG INDICATOR INDEX

Mandatory Disclosure Requirements		Sections	Pages
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Prequel	P18
Reporting Principles	A description of, or an explanation on, the application of the Reporting Principles in the preparation of the ESG report.	Prequel	P19
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Prequel	P0

A.Environmental

Aspect	Indicator SN	Aspect, General Disclosure and Key Performance Indicators	Sections	Pages
A1 Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer [Break]relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Promoting green operations	P40-41
	A1.1	The types of emissions and respective emissions data.	Promoting green operations	P40-41
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Addressing climate change	P32
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Promoting green operations	P40-41

A.Environmental				
Aspect	Indicator SN	Aspect, General Disclosure and Key Performance Indicators	Sections	Pages
A1 Emissions	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Promoting green operations	P40-41
	A1.5	Description of the emission target(s) and steps taken to achieve them.	Promoting green operations	P40-41
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Promoting green operations	P40-41
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Promoting green operations	P35-39
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Promoting green operations	P39
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Promoting green operations	P39
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Promoting green operations	P35-39
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Promoting green operations	P35-39
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Promoting green operations	P40-41
A3 The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Promoting green operations	P35-39
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Promoting green operations	P35-39
A4 Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Addressing climate change	P21-32
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Addressing climate change	P21-32

B. Social				
Employment and Labour Practices				
Aspect	Indicator SN	Aspect, General Disclosure and Key Performance Indicators	Sections	Pages
B1 Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Talent and community development	P79-88
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Talent and community development	P79-81
	B1.2	Employee turnover rate by gender, age group and geographical region.	Talent and community development	P79-81
B2 Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Stable energy supply	P47-57
	B2.1	Number and rate of work-related fatalities that occurred in each of the past three years including the reporting year.	Stable energy supply	P47
	B2.2	Lost days due to work injury.	Stable energy supply	P47
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Stable energy supply	P47-57
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent and community development	P83-86
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Talent and community development	P86
	B3.2	The average training hours completed per employee by gender and employee category.	Talent and community development	P86
B4 Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer [Break]relating to preventing child and forced labour.	Talent and community development	P79-80

Aspect	Indicator SN	Aspect, General Disclosure and Key Performance Indicators	Sections	Pages
B4 Labour Standards	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Talent and community development	P79-80
	B4.2	Description of steps taken to eliminate such practices when discovered.	Talent and community development	P79-80
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Innovation and collaborative development	P73-75
	B5.1	Number of suppliers by geographical region.	Innovation and collaborative development	P73-74
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Innovation and collaborative development	P73-75
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Innovation and collaborative development	P73-75
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Innovation and collaborative development	P73-75
Operating Practices				
B6 Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Stable energy supply	P60-64
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Stable energy supply	P60
	B6.2	Number of products and services related complaints received and how they are dealt with.	Stable energy supply	P60-62
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Stable energy supply	P71-72
	B6.4	Description of quality assurance process and recall procedures.	Stable energy supply	P60-62
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Stable energy supply	P60-62

B. Social				
Aspect	Indicator SN	Aspect, General Disclosure and Key Performance Indicators	Sections	Pages
B7 Anti-corruption	General Disclosure	Information on: a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Prequel	P14-15
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Prequel	P14-15
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Prequel	P14-15
	B7.3	Description of anti-corruption training provided to directors and staff.	Prequel	P14-15
Community				
B8 Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Talent and community development	P89-92
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Talent and community development	P89-92
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Talent and community development	P89-92

GRI STANDARDS INDEX

GRI Standard	Disclosure Items	Sections	Pages
GRI 2:General Disclosure	2-1 Organizational details	Prequel	P03-06
	2-2 Entities included in the organization's sustainability reporting	Prequel	P0
	2-3 Reporting period, frequency and contact point	Prequel	P0
	2-4 Restatements of information	Prequel	P0
	2-6 Activities, value chain and other business relationships	Innovation and collaborative development	P58-64 P74-76
	2-7 Employees	Talent and community development	P79-88
	2-8 Workers who are not employees	Stable energy supply	P49-50
	2-9 Governance structure and composition	Prequel	P07
	2-10 Nomination and selection of the highest governance body	Prequel	P08
	2-11 Chair of the highest governance body	Prequel	P07
	2-12 Role of the highest governance body in overseeing the management of impacts	Prequel	P07
	2-13 Delegation of responsibility for managing impacts	Prequel	P07
	2-14 Role of the highest governance body in sustainability reporting	Prequel	P17
	2-16 Communication of critical concerns	Prequel	P07,P08
	2-17 Collective knowledge of the highest governance body	Prequel	P07,P08
	2-18 Evaluation of the performance of the highest governance body	Prequel	P07,P08
	2-19 Remuneration policy	Prequel	P08
	2-20 Process to determine remuneration	Prequel	P08
	2-22 Statement on sustainable development strategy	Prequel	P17,P18
	2-23 Policy commitments	Prequel	P17,P18

GRI Standard	Disclosure Items	Sections	Pages
GRI 2: General Disclosure	2-24 Embedding policy commitments	Prequel	P17,P18
	2-25 Processes to remediate negative impacts	Prequel	P17,P18
	2-26 Mechanisms for seeking advice and raising concerns	Prequel	P17,P18
	2-27 Compliance with laws and regulations	Prequel	P17,P18
	2-29 Approach to stakeholder engagement	Prequel	P19
	2-30 Collective bargaining agreements	Prequel	P80
GRI 3: Material Topics	3-1 Process to determine material topics	Prequel	P20
	3-2 List of material topics	Prequel	P20
	3-3 Management of material topics	Prequel	P20
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Prequel	P04
	201-2 Financial implications and other risks and opportunities due to climate change	Addressing climate change	P25-27
	201-3 Defined benefit plan obligations and other retirement plans	Talent and community development	P80
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	Prequel	P05,P06
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	Innovation and collaborative development	P74
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	Prequel	P14,P15
	205-2 Communication and training about anti-corruption policies and procedures	Prequel	P14,P15
	205-3 Confirmed incidents of corruption and actions taken	Prequel	P14,P15
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Prequel	P14,P15
GRI 301: Materials	301-3 Reclaimed products and their packaging materials	Promoting green operations	P40

GRI Standard	Disclosure Items	Sections	Pages
GRI 302: Energy	302-1 Energy consumption within the organization	Promoting green operations	P39
	302-2 Energy consumption outside of the organization	Promoting green operations	P39
	302-3 Energy intensity	Promoting green operations	P39
	302-4 Reduction of energy consumption	Promoting green operations	P39
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	Promoting green operations	P39
	303-2 Management of water discharge related impacts	Promoting green operations	P39
	303-3 Water withdrawal	Promoting green operations	P39
	303-4 Water discharge	Promoting green operations	P39
	303-5 Water consumption	Promoting green operations	P39
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Promoting green operations	P42,P43
	304-2 Significant impacts of activities, products, and services on biodiversity	Promoting green operations	P42,P43
	304-3 Habitats protected or restored	Promoting green operations	P42,P43
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Addressing climate change	P32
	305-2 Energy indirect (Scope 2) GHG emissions	Addressing climate change	P32
	305-4 GHG emissions intensity	Promoting green operations	P39
	305-5 Reduction of GHG emissions	Addressing climate change	P32
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Promoting green operations	P41
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	Promoting green operations	P40
	306-2 Management of significant waste-related impacts	Promoting green operations	P40
	306-3 Waste generated	Promoting green operations	P40
	306-4 Waste diverted from disposal	Promoting green operations	P40
	306-5 Waste directed to disposal	Promoting green operations	P40

GRI Standard	Disclosure Items	Sections	Pages
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental evaluation criteria	Innovation and collaborative development	P74
	308-2 Negative environmental impacts in the supply chain and actions taken	Innovation and collaborative development	P74,P75
GRI 401: Employment	401-1 New employee hires and employee turnover	Talent and community development	P81
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent and community development	P80,P87-88
	401-3 Parental leave	Talent and community development	P82
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Stable energy supply	P47,P48
	403-2 Hazard identification, risk assessment, and incident investigation	Stable energy supply	P51,P52
	403-3 Occupational health services	Stable energy supply	P56,P57
	403-4 Worker participation, opinion soliciting, and communication on occupational health and safety	Stable energy supply	P46-57
	403-5 Worker training on occupational health and safety	Stable energy supply	P54,P55
	403-6 Promotion of worker health	Stable energy supply	P56,P57
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Stable energy supply	P47-64
	403-8 Workers covered by an occupational health and safety management system	Stable energy supply	P47-P50
	403-9 Work-related injuries	Stable energy supply	P47
	403-10 Work-related ill health	Stable energy supply	P56
GRI 404: Training and Education	404-1 Average hours of training per year per employee	alent and community development	P86
	404-2 Programs for upgrading employee skills and transition assistance programs	alent and community development	P84
	404-3 Percentage of employees receiving regular performance and career development reviews	alent and community development	P83
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	alent and community development	P79
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	alent and community development	P79

GRI Standard	Disclosure Items	Sections	Pages
GRI 408: Child Labour	408-1 Operations and suppliers at significant risk for incidents of child labor	Talent and community development	p79
GRI 409: Forced or Compulsory Labour	409-1 Operations and suppliers at significant risk of incidents of forced or compulsory labor	Talent and community development	p79
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Stable energy supply	p64
	413-2 Operations with significant actual and potential negative impacts on local communities	Stable energy supply	p64
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Innovation and collaborative development	p74
	414-2 Negative social impacts in the supply chain and actions taken	Innovation and collaborative development	p74,p75
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Stable energy supply	p62,p63
	417-1 Requirements for product and service information and labeling	Stable energy supply	p60
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Stable energy supply	p61

INFORMATION FEEDBACK

Thank you for reading Suntien's 2024 Environmental, Social and Governance Report. To provide you and other stakeholders with more valuable information and promote the improvement of Suntien's ESG management capabilities, we sincerely welcome your feedback on this report. You can send us your completed questionnaire by mail, email after scanning, fax, or by calling us directly to offer your valuable opinions. Thank you!

1.Which type of stakeholder is your institution in relation to Suntien?

- ☐ Shareholder
- ☐ Employee
- ☐ Supplier
- ☐ Customer
- ☐ Government
- ☐ Community
- ☐ Financial institution
- ☐ Non-profit organisation/
Industry Association
- ☐ Other (Please specify) _____

2.Do you think this report comprehensively reflects Suntien's performance in environmental, social, and governance aspects?

- ☐ Yes
- ☐ Average
- ☐ No

3. Do you think this report can comprehensively respond to the expectations and requirements of Suntien's stakeholders?

- ☐ Yes
- ☐ Average
- ☐ No

4. Do you think the quantitative information disclosed in this report is objective, true, and effective?

- ☐ Yes
- ☐ Average
- ☐ No

5. How do you rate the completeness of information in this report?

- ☐ 3 points (Good)
- ☐ 2 points (Average)
- ☐ 1 point (Poor)

6. Information you wish to know but not disclosed in this report:

7. What other comments and suggestions do you have for Suntien's ESG management and ESG reporting?